

Weekly Compilation of
**Presidential
Documents**



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Editor's Note: The President was in Des Moines, IA, on July 16, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, July 16, 1999

**Interview With Jesse Jackson of
Cable News Network's "Both Sides"
in Torrance, California**

July 9, 1999

New Markets Initiative Tour

Mr. Jackson. Welcome to "Both Sides." Last week there was a phenomenal mission across our Nation led by President Clinton—a kind of journey from Wall Street to Appalachia to the Delta to Indian reservations to Watts to south Phoenix, across the country, building that bridge to share the wealth, the growth, the prosperity—called a new markets initiative.

This week we have as our very special guest, our esteemed Mr. President, President Bill Clinton. Welcome.

The President. Thank you.

Mr. Jackson. In this trip last week—Hazard, Kentucky, Appalachia; the Delta; East St. Louis; Pine Ridge Indian Reservation; south Phoenix; Watts; Anaheim—what stuck out in your mind the most?

The President. That in all those places where our prosperity has not reached, there are good people, smart people, people with dreams, and good opportunities for American business. This is a moment when we can do what is morally right, to give everybody a chance to walk into the 21st century together, and do it in a way that will actually be good for the American economy and good for the people who invest there.

Mr. Jackson. They've missed this booming prosperity. Is something wrong with the people?

The President. I wouldn't say something's wrong with the people. A lot of them don't have as much education as they need, and that's part of our strategy to do better, and they're going to have to have specific job training skills. But what happened is that all these places either never had a self-supporting economy, or the basis of economic life which once was there moved away, and nothing

was ever brought in to replace it. And now, we've got a chance just to keep our own economy going—just to keep our own economy going with no inflation—we have a chance to bring investment to these areas, put these people to work, give them better lives, and in the process, help everyone else in America.

Mr. Jackson. But last week there were Republican and Democratic Congresspeople on the trip; there were corporate business leaders, Democratic and Republican.

The President. Yes.

Mr. Jackson. They seem to have found a common accord on this idea of new markets. The War on Poverty seemed to—would have been divisive—poverty, reaction; affirmative action—division, reaction. But new markets seem to have bound Appalachia and Delta—black, white, red. What's kind of magic about this notion of new markets initiative?

The President. Well, first of all, it's not charity; it's a hand up, not a handout. Secondly, the people who are being asked to invest in these new markets should do so with the expectation that they will actually make a profit out of it, that by helping people in areas which haven't participated in this prosperity—by starting businesses, giving people jobs, having these job training programs—they'll actually make money.

Mr. Jackson. So it's a kind of war for profits, not just a war on poverty?

The President. That's right.

Mr. Jackson. And therefore, you incentivize broadening the base of investment.

The President. We're not asking anybody to do anything that isn't a good business decision. It's a good business decision. And that's one of the things—you know, we saw that everywhere. Every place we went—do you remember that little—that first place we visited in Appalachia, a guy starts out with 40 employees; a few years later, he's got 850.

And yes, you know, Appalachia's fairly isolated, but he makes those parts and—those various component electronic parts—and he's got 850 people. He's fixing to expand again because of the incentives that he has in our empowerment zone program that the Vice President's run for us for the last 6 years. That's the kind of thing we want to go nationwide with.

We believe if we give, in the new markets initiative, if we give the same tax credits and loan guarantees to Americans to invest in America's new markets we give them to invest in new markets in Africa, Latin America, Asia, or the Caribbean, that our people will do very well.

Mr. Jackson. You take, for example, the black and brown market alone is maybe \$800 billion in consumer power. How has corporate America—what has been missing? How have they missed these markets—markets, money, talent—right under their noses?

The President. I think there are two reasons. I think, first of all, they've been doing very well by doing what they're used to doing and expanding in ways they're used to expanding, so our economy's grown quite a lot in the last 6 years.

Mr. Jackson. Even though they've missed markets?

The President. Yes, by taking the nearest thing at hand, the thing they're used to doing. Secondly, I think that there is something that the economists would call, in purely economic terms, imperfect knowledge; that is, I think that a lot of people really don't know how well they could do if they gave people in inner-city America, in rural America a chance. I think they just don't know, which is one reason that it was so important that these business leaders went on the trip. You know, remember, when we started out, the chief CEO of Aetna life insurance company said, "You know, I may not be happy about this, because I had this deal figured out, and now all my competitors are going to know there's money to be made out here."

Mr. Jackson. So something about imperfect knowledge and our cultural blindness, we just don't even look toward those unexplored markets.

The President. Well, when you see a place so depressed for so long, or you see

the figures and the education levels low, or you look at the maps in and out of a place and you realize it's physically isolated, and you think, "I've got all these other ways to make money that are near at hand," you don't get around to it. But now, the unemployment rate in America has been under 5 percent for 2 years. Everybody is wringing their hands, you know, from Wall Street out here to California, about how can we keep this economic growth going without inflation. The answer is, invest in these places.

Mr. Jackson. It's interesting, in politics there's a zero-sum game. You have 435 Congress seats; you might change faces, but the seats don't change, and so it's forever tight and competitive. But in economic, inclusion leads to growth.

The President. That's right.

Mr. Jackson. And it seems that they have missed growth. In baseball, for example, we thought we had a great Major Leagues before we let Jackie Robinson and Campanella and Hank Aaron and Willie Mays in. But once they opened up the market, they now will go to Cuba; they'll go to the Dominican Republic and find Sammy Sosa; they'll go to Japan. The basketball team, now we'll go to Yugoslavia, go to Croatia—that the baseball owners seem to have gotten it; the basketball owners seem to have gotten it; now the rest of corporate America must get that inclusion leads to economic growth.

The President. And the important thing in your sports analogy is that as we have broadened the pool of talent, we've had more teams. There are now more baseball teams than there used to be. There are more basketball teams than there used to be. More people get interested as you broaden the pool of talent, and you get more people in. That's what is happening here.

So that if somebody invests in these new markets, they don't have to quit investing where they were. This is not a zero-sum game. You're right; we'll just widen the circle of opportunity.

Mr. Jackson. But why are they so much more likely, say, to invest in Indonesia, Taiwan, South Korea, Eastern Europe, than in Appalachia or East L.A., in south Phoenix? What is the incentive factor there?

The President. I think that we look at Indonesia—let's just take Indonesia. We look at Indonesia and we say, "Gosh, there's a market of 200 million people; it's the biggest Muslim country in the world, fairly moderate country historically, although they've had some problems lately. And we'll invest there and we'll sell to that market."

What we miss in America is that if you put people who are unemployed to work in distressed areas, you create a new market, first. Second, as you just pointed out, even in places with very high unemployment—if you go into an inner-city neighborhood with 15 percent unemployment, that's high; that's 3 times the national average plus. That still means 85 percent of the people are working there; they've got money to spend. In almost every city in America in the inner-city areas, the people have more money to spend than they can spend in their neighborhoods.

Mr. Jackson. That means breaking down stereotypes. For example, if you look at Hazard, Kentucky, you look at Watts, most poor people are not on welfare.

The President. They're working.

Mr. Jackson. They work every day, and most are not black or brown; they're white—

The President. That's right.

Mr. Jackson. —female, young, invisible. So perhaps when you speak of markets, you kind of transcend the color, cultural barriers that divide and make people terribly anxious.

The President. Yes, I think that's really important. One of the things that we've felt, I think, all of us in this week, is that—like there in the Mississippi Delta, we were walking down the street in Clarksdale—you've got an African-American Congressman and a white mayor, and they're working together. I met in a store with an African-American woman and a Chinese grocer who had been in that community for 40-plus years. This is a way of bringing people together. It's about much more than money. It's about cementing a quality and fabric of life that is absolutely essential.

Mr. Jackson. What is it about this period that allowed this mission to go from Hazard, Kentucky, Appalachia, to Clarksdale, Mississippi, to the reservation, and yet there was

no evidence of racial rancor or division? What was it about this period that allowed at least that body of people to look toward another agenda, another formation of problem solving?

The President. First of all, I think the American people, it's a great tribute to the people in those areas that they've kind of gotten beyond that. And they understand that if they can build a common economic framework, they can build a home together in their communities.

Secondly, I think the business leaders who went, the political leaders who went were genuinely intelligent, savvy, and human people who saw that they could do the right thing and do very well.

Mr. Jackson. You know, when you were speaking to the Native Americans in Pine Ridge and one of the corporate business leaders looked out and he saw the 7,000 people, and he said, "I've always just seen Indian reservations," which meant something; but he said, "Now, I see two supermarkets. I see a car dealership. I see 7,000 people wearing clothes. I see a market." He had never seen them as a market; he'd just seen them as Indians.

The President. Yes, and a lot of these people, if we put more stores, for example, in these Native American areas and hired the people there to work in the stores, then even in—and they're the poorest parts of America, they have the highest unemployment rate—but if you get their unemployment rate just down to 20 percent, then you have 80 percent of the people working and you make a whole market. So by creating the jobs, you create the market to buy the products that the jobs provide.

Mr. Jackson. What I thought was kind of mystical to me, frankly, was when we left Appalachia and got to Memphis, and after we had eaten at the Blues Cafe and had big fun eating much too much—

The President. We did that.

Mr. Jackson. —and you, on one of your sleepless nights, decided we were going to go to the Lorraine Motel. We went through this whole museum, Lorraine Motel in Memphis, Tennessee; we ended up in the spot that Martin Luther King was killed. And

there you stood, and we prayed, and there was a somber spirit.

But what struck me about it was that what you did this past week was to fulfill Dr. King's last great mission. He knew that slavery was the race gap; denial of public accommodations, the race gap. We won that—public accommodations bill—the lack of the right to vote, the race gap.

We now argue that that was a resource gap, it was a North-South resource gap, not just a race gap. So his last great movement was to pull together people from Appalachia, Al Lowenstein, Jewish allies from New York, Hispanics from the farm workers, from Chavez—he pulled all these groups together—and that was his last great mission, was to tour these areas to focus on a shared resource gap. So in some sense, this week, you've fulfilled that last leg of his journey.

The President. If we can make that so, I would be very proud, because he was right about that. You know, it's funny how much time we lost as a country after he and Senator Kennedy were killed, because both of them were trying to—I remember when Bobby Kennedy went to Appalachia, went to the Indian reservation in Pine Ridge in '68. They understood that the last shreds of our racial problems would be mired forever in our economic insecurities until everybody has a chance to make it. And now, our country has this phenomenal prosperity for which we are very grateful, but interestingly enough, it is becoming the enlightened self-interest of the investor community to keep this thing going, to finally—

Mr. Jackson. Sow profits, not fear.

The President. That's right. Finally, to give all these folks a chance to play again.

Mr. Jackson. Now that you have put the light on it, I mean, a Presidential entourage creates that—you put focus on America's underserved markets, its underutilized talent, untapped capital. We saw in Clarksdale, Mississippi, a man and his wife, both of whom are Stanford graduates, MIT engineers, graduates—

The President. Yes.

Mr. Jackson. —selling McDonald's.

The President. McDonald's, yes.

Mr. Jackson. Very talented people, and that was—they found a niche there. But now

you put light. What must the Congress do to make this real? And then what must the business sectors—we have focus; we need legislation, and we need business. What's the next two pieces?

The President. Congress should do two things. First of all, they should fund the second round of these empowerment zones, because in the empowerment zones, we give special tax incentives for people to put business there and to hire people from there, and we give the communities extra money to educate and train people—first thing. And the Vice President's done a great job of managing that program. In addition to that, we have some more money for these community development banks. They give capital to first-time business people who couldn't get it other places. That's the first thing.

The second thing that Congress should do is to pass the new markets legislation which, as I said, basically gives American businesses the same incentives to invest in poor areas, urban and rural, in America that we today give them to invest overseas.

Mr. Jackson. What do we give them overseas?

The President. Well, we give them tax credits; we give them loan guarantees; we give them other things to try to lower the cost of capital.

Mr. Jackson. OPIC and the like?

The President. Right. Overseas Private Investment Corporation, the Export-Import Bank.

Mr. Jackson. So you propose APIC—American Private Investment—

The President. American Private Investment Companies, and here's how it would work.

Mr. Jackson. Do you think it would pass, likely to pass?

The President. I think so. I mean, the Republicans ought to love it because it's a tax incentive thing, you know, it's not a big Government program. But here's how it would work. Suppose you and I were trying to build a shopping center development in East St. Louis, where we visited, and suppose the costs of that were—I'm making this up—about \$300 million, and suppose we could raise \$100 million in capital. Well, if we could do that, we could get a 25 percent tax credit

with that \$100 million investment, which takes our risk down to \$75 million right off the bat. We've only got \$75 million at risk, not \$100 million. We could then go borrow the other \$200 million from the bank with a Government guarantee on the borrowing, which would dramatically cut the interest rates and save us another several million dollars over the life of the project.

Mr. Jackson. So you've got tax incentive, investment incentive, and loan guarantees and markets.

The President. That's right. So, first of all, you've got a profit opportunity. We're not asking anybody for charity here. If there's no opportunity there, don't do it. But if there is an opportunity but you're worried a little about the risk, we will cut the relative risk of this investment, as compared with others, with the tax incentives and loan guarantees. It's a real good deal.

Gun Control

Mr. Jackson. We've found in each of these markets invariably two new buildings, a new ball park and a new jail. In all of these schools where we visited, the schools were unwired. Those in the jails, 90 percent are high school dropouts; 92 percent are functionally illiterate. The question of lack of education can breed the crime thing.

Senator Bradley put an article in the Post this week about proposals to reduce guns. Just briefly, he says that we should ban the distribution and sale of "Saturday Night Specials," registration for all 65 million handguns, a licensing and safety course for everyone who owns guns, ban gun dealers from selling guns in residential neighborhoods, insist on mandatory gun locks. Are these commonsense measures from your point of view?

The President. Sure. You know, we've got the gun locks provision in the Congress and that still might pass. But I have said, we ought to have registration. We register our cars. If your car gets stolen while you're doing this interview with me, and somebody drives it halfway across the country and leaves it in a parking lot—let's say in Lincoln, Nebraska—and the police find it, as soon as you report your car stolen, it will go into an international computer system. As soon as he, the person who finds your car in Lincoln,

Nebraska, says, "Here, I've found this stolen car, and here is the license plate and the registration," within 30 seconds, the local police in Chicago will be able to call you and say, "Reverend Jackson, we found your car." And so, of course we should do these things.

Mr. Jackson. So the drive to reduce easy access to guns and gun registration and gun education become factors in reducing the—

The President. Yes. And I think it's interesting—I think the NRA ought to support this. I don't think it's in their interest what they're doing, because nobody's trying to say we shouldn't have hunting and sport shooting. And if I were, they never listen to me, obviously, but I used to work with them sometimes in Arkansas. One of the best things they ever did were their hunter education programs, and they really try to teach young people to safely use firearms. Why shouldn't we say, if you're going to have a gun and you're a young person, you ought to be licensed and you ought to be taught how to use it; they would teach it.

Mr. Jackson. But you don't hunt rabbit with AK-47's.

The President. No, you don't. Well, we ought to ban those. You know, I'm in favor of getting rid of all that and all those big clips and all that kind of stuff. But if they have those guns, they ought to be able to use them, and NRA ought to be out there certifying teachers to teach them. If somebody steals your gun, you ought to be able to find it, just like your car. Then the other thing I disagreed with them about, we ought to close the loophole on selling these guns at gun shows and flea markets in big cities so that the same background checks are done. These background checks work; we keep those guns out of the wrong hands by doing that.

Mrs. Clinton's Possible Senate Bid

Mr. Jackson. In this dialog, we've talked about all of the easy stuff—I mean, how to wipe out poverty without wiping out the poor, how to begin to close the resource gap and the skills gap. Now, the ultimate question: Is Hillary going to run for the Senate? [Laughter]

The President. I honestly don't know. She's having the time of her life in New York this week, and the people have been very good to her. And if she decides to do it, I will strongly support her in every way I can. She would be a fabulous Senator if she decides to do it. I honestly don't know what she's going to do, but she's obviously interested in it. If the people of New York were to vote for her and elect her, she would be magnificent.

Mr. Jackson. So you don't think the Presidential issue will last in the heat of the campaign?

The President. No, I didn't say that. I think that she believes that it's a legitimate issue; at least, she believes that if she presents herself as a candidate, she would have to demonstrate to the voters of New York that she understands the State, that she is capable of learning about all the local issues, that she cares about them as well as the big national things on which she and I spent our lives. And so that's why she's up there on her listening tour. And she's going to go back every week this summer.

Mr. Jackson. How do you think she has done this week on her listening tour? Because she's had to do some talking while listening.

The President. I come back at night from our tour—I'd come back at night and flip on the TV and see what she had done, and I think she's done really well. I'm really proud of her. If this is what she wants to do, I'm 100 percent for it.

Mr. Jackson. When do you think she will decide?

The President. I think she wants to complete this—I think she at least wants to complete her summer schedule and listen to these folks and assess where she thinks it is. But I'm happy for her; it's a very exciting thing.

New Markets Initiative Tour

Mr. Jackson. Let me say to you, I thank you for this interview. This trek around America was most historic this week because we measure our strength politically by following opinion polls about how well Wall Street is doing, but you made the point over and over again that in the end you measure

character by how you treat the least of these. And your dissatisfaction with 15 million children in poverty and 40 million without health insurance, your discomfort level with the poverty-stricken is a great moral statement and challenge for all of us.

I hope that in this season that we can, in some bipartisan basis, move from the bickering racial battleground to economic common ground, a kind of—I lived in Mississippi and saw whites and blacks on a shared economic security agenda, you know, Patients' Bill of Rights and increased teacher pay and cut the infant mortality rates. I mean, it seemed that is—this is a certain pregnant moment with possibility that all of us should seize.

The President. You know, the thing that was so touching to me—and we got out there in the country—you know, there were a lot of Republicans with us as well as Democrats, and in these areas we went, we met a lot of Republicans as well as Democrats.

These issues, these sort of common ground economic issues, I don't think there are partisan issues out there in America. And if we can keep them from becoming a partisan issue in Washington, then I'm going to reach out to the leadership of the Republican Party in Congress next week to talk to them about this trip and ask them to help me pass something that will really make a difference out there.

Mr. Jackson. So beyond the historic economic petitions and political petitions and racial petitions, you see this bridge building as ultimately your legacy—building bridges to the underserved, the unutilized, and the untapped.

The President. Yes. I think that this country ought to go whole into the new century, and we can't do it if not everybody has a chance to make a living, get an education.

Mr. Jackson. Well, thank you, Mr. President.

The President. Thank you. Thank you for going with me. You were fabulous.

NOTE: The interview began at 11:35 a.m. on July 9 in Room 213 at the Harbor-UCLA Medical Center, and it was videotaped for later broadcast on the Cable News Network. The transcript was embargoed for release by the Office of the Press Secretary until 8 a.m. on July 10. In his remarks,

the President referred to Richard L. Huber, chairman and chief executive officer, Aetna, Inc.; Representative Bennie G. Thompson; and Mayor Richard M. Webster, Jr., of Clarksdale, MS. A tape was not available for verification of the content of this interview.

The President's Radio Address

July 10, 1999

Good morning. Today I want to talk to you about our Nation's duty to ensure that all America's seniors can enjoy their golden years as healthy as modern medicine will allow. I want to talk about my plan to strengthen and modernize Medicare and the important steps we can take to encourage older Americans to undergo health screenings that can save their lives and improve the quality of their lives.

For 34 years now, Medicare has been the cornerstone of our efforts to protect the health of the disabled and our seniors. Last month at the White House, I unveiled a fiscally responsible plan to secure and modernize this vital program for the 21st century. The plan will strengthen Medicare by controlling cost, promoting competition, and dedicating a significant portion of the budget surplus to keeping the Trust Fund solvent until the year 2027. And my plan will modernize Medicare by matching its benefits to the latest advances of modern medicine.

Since Medicare's founding in 1965, a medical revolution has transformed health care in America. Once the cure for many illnesses was a scalpel; now, just as likely, it's a pharmaceutical. That's why I made helping seniors afford the prescription drugs essential to modern medical care a key part of the Medicare plan.

But even as we modernize Medicare with the prescription drug benefit, we also must modernize Medicare's preventive care benefits. Today, doctors have new tools to detect and prevent diseases earlier and more effectively than ever. And for millions, early detection can mean the difference between a full recovery and a bleak prognosis. For instance, if prostate cancer is caught early, the survival rate is 99 percent; but if it isn't, the rate can be a discouraging 31 percent.

In 1997 we worked across party lines to expand Medicare coverage for preventive services. But too few seniors still are using this benefit. Last year just one in seven older women received a mammogram covered by Medicare. For many seniors on fixed incomes, who every day must struggle to pay for food, rent, and other necessities, the cost of even a modest copayment can be prohibitive. And that can cost lives.

It makes no sense for Medicare to put up roadblocks to screenings and then turn around and pick up the hospital bills its screenings might have avoided. No one should have to undergo a dangerous surgical procedure that could have been prevented by a simple test. No senior should have to hesitate to get the preventive care they need. That's why my plan will eliminate the deductible in all copayments for all preventive services—for cancer, diabetes, osteoporosis, and other diseases.

And because 70 percent of beneficiaries still do not even know about all of Medicare's preventive services, we'll launch a nationwide campaign to inform and encourage seniors to take these tests. We'll keep looking into ways to improve preventive care for seniors, including strategies to help them stop smoking.

In the meantime, I call on older Americans to take advantage of the preventive benefits that already are available to you. They could save your life.

We must seize America's moment of prosperity to strengthen and modernize Medicare for the 21st century. There are some who propose spending our new budget surpluses on tax cuts. Well, I support tax cuts for retirement savings, for child care, for education, but it would be wrong to spend our hard-earned surplus on tax cuts before we first have honored our obligations to our seniors and to all our families in the 21st century. First things first.

I've invited leaders of both parties to meet with me at the White House on Monday to discuss the urgency of acting on Medicare now. We have an unprecedented opportunity to prepare Medicare and Social Security for the retirement of the baby boomers and to pay down our debt—to make America debt-free over the next 15 years. We can't let this

opportunity slip away. Together, we can find a way to make this summer a true season of progress for all Americans.

Thanks for listening.

NOTE: The address was recorded at 11:20 a.m. on July 9 in Room 210 at the Harbor-UCLA Medical Center in Torrance, CA, for broadcast at 10:06 a.m. on July 10. The transcript was made available by the Office of the Press Secretary on July 9 but was embargoed for release until the broadcast.

Remarks to the China and United States Women's Soccer Teams Following the World Cup Final in Pasadena, California

July 10, 1999

The President. I want to say to the whole team how much we admire your performance in the whole World Cup. You were magnificent today. And we were very honored to have you in our country. You will win many more games.

[After greeting China's team, the President proceeded to the champion U.S. team's locker room.]

The President. Let me say one thing. First of all, I think everybody in the whole stadium was weeping with joy. It was the most exciting sports event, I believe, I've ever seen. We were so very proud of you.

I also want you to know, I just went in to see the Chinese team. I told them what a magnificent game they played, how honored we were to have them in our country. And they could not have been more generous. They said how well you played and that you deserved to win. I mean, it was an amazing day.

We learned a lot today about soccer, about women athletes, about courage and endurance, and about genuine sportsmanship. I cannot thank you enough for the gift that you have given to the United States, which is even bigger than this great trophy. [Applause] Wait, wait, wait.

And you see I brought a lot of people here who are big fans of yours, but I'd like our host Governor, the Governor of California, to say——

[At this point, Gov. Gray Davis of California made brief remarks.]

NOTE: The President spoke to China's team at approximately 4:30 p.m. in a locker room at the Rose Bowl. The transcript made available by the Office of the Press Secretary also included the remarks of Governor Davis. A tape was not available for verification of the content of these remarks.

Statement on the Death of James L. Farmer

July 10, 1999

Hillary and I were greatly saddened to learn of the death of James Farmer, one of this century's pioneers for freedom. As the leader of the Congress of Racial Equality, he stood on the frontlines of the struggle for justice. At historic sit-ins, freedom rides, and countless picket lines, thousands of citizens risked their lives on behalf of basic rights, led by the inspiration of James Farmer. Their effort changed America. Through a long career as an activist, public servant, and educator, he never lost sight of the shining goal of integration and racial equality. He never stopped working to build one America. I was privileged to award him the Presidential Medal of Freedom last year. James Farmer helped to make America a better nation. Our thoughts and prayers go out to his family and many friends.

Interview With Bob Herbert of the New York Times in Anaheim, California

July 9, 1999

[The interview is joined in progress.]

New Markets Initiative

The President. ——the successful work that's been done in the empowerment zones by these community development financial institutions. If you look at the banks that have vigorously pursued the Community Reinvestment Act and what they've been able to achieve, there is a lot of evidence that this will work.

Secondly, this is not like either the Great Society of the sixties or the great neglect of

the eighties; this is about getting good jobs into the inner cities and the rural areas by building an economic infrastructure that is part of the private economy, where the primary role of the Government is to, through tax incentives and loan guarantees, reduce the relative risk and to provide and to support these intermediary institutions so—like the community development banks and the microenterprise loan programs where there are relationships with people in the community—so good decisions will, in fact, be made. And there's just a lot of evidence that this works, not just in the United States but all over the world.

And what I'm trying to do with this tour is to, building on what we've already done, show the investor community in America and the business community that there are a lot of good opportunities out here in the cities and in the rural areas, and secondly, to try to highlight the need for this new markets legislation which will, unlike the empowerment zones of the community development financial institutions, be nationwide in scope. It will be available to investors in every underdeveloped area in the country whether or not they have a community development bank, whether or not they have an empowerment zone or an oppressed community, whether or not they have any of these other things. And it emphasizes the most important thing, which is incentives to get that first equity capital to start the investment.

Essentially, what none of these programs in the past have ever seriously done is to try to build a self-sustaining economic infrastructure. So that's why you see these apparently contradictory numbers. You see wages for the lowest income workers finally going up again substantially over the last 2 years; you see the lowest African-American and Hispanic unemployment rates ever recorded, but you still see these pockets of real difficulty because there is, in these places, no indigenous economy.

Mr. Herbert. What do you say to those Americans who are already doing well, especially Republicans? What do you say to them? Why should they get behind an effort like this? Why is it good for them?

The President. I would say three things. Number one, anybody who has done as well

as most of them have done in the last 6½ years ought to want other people to do better. They ought to feel like they should do it. But if they don't feel that way, the second thing I'd say is, there is money to be made out there. You know, the Aetna chairman who went with us on the first half of the trip, he also took our little advance trip down to Atlanta, you know, when we were down in the market down there, and he made a joke. He said, "I may be the only guy that's not happy about this, because I had this figured out, and now all my competitors are going to find out." There's money out here to be made by creating businesses and jobs and tapping the consumer markets.

The second thing I would say is, even if—to a Republican who would not invest in this area, even not getting money, I would say they ought to think about the larger economy. How can we keep the economic growth going the last 6½ years? We've already got the longest peacetime expansion in history. Soon, if we—knock on wood—can keep it going, it will be the longest expansion in history. How are we going to keep growth without inflation?

The answer, it seems to me, is there are only three options: We've got to sell more American goods and services around the world, which is why I think—and most of them agree with that.

Secondly, you can bring more discrete groups of people who are outside the work force now into the work force so there will be workers and consumers—that's principally the remaining people on welfare and the disabled. You know, we had this big initiative before the Congress—I think is going to pass—to legislate when people take their Medicaid insurance in the work force.

But by far, the biggest opportunity is the third one, which is to find new markets here at home, basically to both create producers and consumers in the areas of our country which have not participated in this recovery. That is a noninflationary way to continue to grow the economy, to continue keep the unemployment rate down.

Tax Cuts and New Markets Initiative

Mr. Herbert. The Republican Party would like to pull a large tax cut out of the

surplus. What are the implications of that for this effort that you've been spotlighting for the past 4 days?

The President. Well, I think they, of course, could include my tax cuts and loan guarantees along with what they want. The larger implications are that if you look at their tax cut, what it will do is, if you pay for their tax cut and their defense proposal, it would restore the deficit and dramatically cut our investments in these areas, in education, in health care and the environment, and in medical research and everything else. I think that's also important.

I don't think we should stop investing in these areas. If you look at the program we just visited, one of the problems that's held a lot of these areas back is the enormous premium that goes to education in the world we're living in, with the economy that's emerging based on information technology. So here you've got all these inner-city kids—that handsome young man that's going into the Army today, that is working that computer program to set up international trades from his Los Angeles—his Watts high school, was once a gang member. So I think it would be a terrible mistake to walk away from our education obligations. And it would be, I think, very dumb to restore the deficit if we can avoid it.

You know, the Republicans have made a lot of money out of our economic policy. That's one reason they can afford to finance their campaign so generously; they've done well. And now they say, "Okay, you've made us a lot of money; now we want to be in power again and change the economic policy." [Laughter]

Think about this. If we kept on the path we're on now and we paid the deficit off—I mean, we paid the debt off and we essentially were debt-free in 15 years, that's a bigger boost of money in the pocket to the people who would benefit from their tax cut than their tax cut would be. Keep in mind, I'm for a tax cut, too; I just think it ought to be affordable, and I think it ought to be targeted to the people that need it most.

But if you look at this—if we sent a signal this year to the markets we were going to be debt-free in 15 years and, yes, it might not—I know, I've read all these stories say-

ing, "Well, but you won't have 15 years of constant growth." That's true. But all these projections are based on an average rate of growth which allow for good years and bad years.

So if we sent that signal to the markets, then—and, you know, we start materializing and playing down this debt, it keeps interest rates lower. That means ordinary people get money in their pockets: lower home mortgages, car payments, credit card payments, college loan payments. It means that business investment is less expensive, so there will be more of it, and incomes will be higher and growth will be more. It means we will be less vulnerable to things like the turmoil that gripped Asia 2 years ago. And it means that since we won't be taking that money out of the world economy, when other countries who are our trading partners and who are poorer than we are get in trouble, they'll be able to get money more cheaply because we won't have to be taking it away from them to pay for our debt.

So I think, to me, this is clear, that if you're imagining what the 21st century economy will be like 20 years from now, that the richer states will need to be as nearly debt-free as possible so that when they borrow money, they're borrowing it for something like dramatically improving their infrastructure or rebuilding all their schools and cooking on computers or something like that. But on a year-to-year basis, the richest countries ought to be debt-free so the countries that need to borrow money to elevate their standard of living and also be trading partners for the richer countries can do so at less cost and with less turmoil. And it will be better for the ordinary citizens in the United States for all the reasons I said. So that's my answer to the Republicans.

Mrs. Clinton's Possible Senate Bid

Mr. Herbert. And final quick question—Mrs. Clinton's run for the Senate. Are you guys—and welcome to New York—but, two, are you guys committed to living in New York if she loses this Senate race?

The President. She decided irrespective of the Senate race—I told her when we moved here, I said, "You know, ever since you came to Arkansas in 1973, we've lived

where my work dictated and where I wanted to move. When we get out of here”—this is a 1993 conversation we had—“when get out of here, I’m going to have to spend a lot of time at home because I’ve got to build my library and my center there, and”—but I said, “but I will live wherever else you want to live.” And she told me years ago that she wanted to go to New York. And I said that’s fine with me. I love New York. I’d be happy to live there. It would be fine. So I’m going to divide my time between New York and Arkansas no matter what happens.

I talked to her three times yesterday; it was really, I think, an exciting day for her. She felt really good about it.

Mr. Herbert. Tough for a New York reporter—I’ve got to decide whether to cover her or cover you.

The President. She’s a better story now.

Mr. Herbert. She’s a great story.

The President. She’s a better story, but this is an important story, what we’ve been doing these last 3 days. I’m so thrilled. I hope I can persuade them to adopt the legislation by the end of the year. But I think all these business guys get interested; it’s really amazing. There is no partisan difference on this in the business community, and a lot of these guys that were with us in the last 2 or 3 days are Republicans. They’re just excited about it. They think it’s the right thing to do, and they think they can make money doing it. So do I.

Mr. Herbert. Thank you very much.

The President. Thanks.

NOTE: The interview began at approximately 11:30 a.m. on July 9 in the Presidential limousine en route to the Hilton Anaheim. The transcript was embargoed for release by the Office of the Press Secretary until 6 a.m. on July 11. In his remarks, the President referred to Richard L. Huber, chairman and chief executive officer, Aetna, Inc. A tape was not available for verification of the content of this interview.

Statement on Releasing Funds Under the Low Income Home Energy Assistance Program

July 12, 1999

In much of our Nation, the early part of summer has brought a chance to explore the outdoors or enjoy a day at the beach or lake. But in large parts of the eastern United States, these first weeks of summer have brought record high temperatures, extreme discomfort, and, for some, severe danger.

Up and down the eastern seaboard, and as far west as Michigan, temperatures over the past 2 weeks soared to levels more than 30 percent higher than average for this time of year. Temperatures that hit the nineties and beyond can pose grave risks to the elderly, the very young, the disabled, and the ill. Tragically, this heat wave has already claimed the lives of more than 100 people.

Today I am releasing \$100 million to help low income Americans in the affected areas cope with this terrible and life-threatening heat. These funds will help victims of the heat wave pay for the costs associated with home cooling, so that they are able to purchase air conditioners and fans and pay their electricity bills.

These resources will help protect the most vulnerable among us as the current heat wave runs its course.

Statement on the Cease-Fire Agreement in the Democratic Republic of the Congo

July 12, 1999

I salute the leaders of Angola, the Democratic Republic of the Congo (DROC), Namibia, Rwanda, Uganda, and Zimbabwe for their courage and commitment to peace in agreeing to the terms for a cease-fire in the Congo war. The signing of this agreement in Lusaka on July 10 provides hope for the many innocent civilians who have suffered

through one of Africa's most dangerous and divisive wars in modern times.

Zambian President Chiluba also deserves special tribute for his role in mediating and facilitating the Lusaka peace talks, and for his continuing efforts to urge rebel factions to support the cease-fire agreement. I urge all rebel groups to commit to peace and sign on to this important accord.

We have worked with all parties to encourage the resolution of their differences through dialog and negotiations. We will work closely with our partners in Africa, the international community, and the United Nations to support this agreement. We hope that its full implementation, including the disarming of those responsible for the Rwandan genocide, will end the cycle of violence in the region, pave the way for an inclusive democracy in the DROC, and help bring a better life for all the people of central Africa.

Message to the Congress Transmitting the District of Columbia Budget Request

July 12, 1999

To the Congress of the United States:

In accordance with section 202(c) of the District of Columbia Financial Management and Responsibility Assistance Act of 1995 and section 446 of the District of Columbia Self-Governmental Reorganization Act, as amended, I am transmitting the District of Columbia's Fiscal Year 2000 Budget Request Act.

This proposed Fiscal Year 2000 Budget represents the major programmatic objectives of the Mayor, the Council of the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority. For Fiscal Year 2000, the District estimates revenue of \$5.482 billion and total expenditures of \$5.482 billion, resulting in a budget surplus of \$47,000.

My transmittal of the District of Columbia's budget, as required by law, does not represent an endorsement of its contents.

William J. Clinton

The White House,
July 12, 1999.

Remarks on Departure for Miami Beach, Florida, and an Exchange With Reporters

July 13, 1999

Patients' Bill of Rights Legislation

The President. Thank you very much, Senator Daschle and other Members of the Senate who are here. I would also like to thank the health professionals who have joined us: Beverly Malone, the president of the American Nurses Association; Dr. Michael Rapp, the president-elect of the American College of Emergency Physicians; Dr. Omega Silva, a board member of the American Medical Women's Association; Dr. Gary Dennis, the president of the National Medical Association. They represent over 200 medical, consumer, and citizens groups who endorse our legislation.

You heard Senator Daschle say that it has been almost 2 years since we started the call for the Patients' Bill of Rights. Ever since, we have been gratified by the enormous outpouring of support from professional as well as consumer groups. Now, after months and months and months of delay, the Republican leadership in the Senate finally has agreed to allow an open debate on the Patients' Bill of Rights. And I must say, it has been very enlightening.

The American people have waited a long time for this day, and we must not let this opportunity slip away. All Americans in all plans must have these basic rights; that's what this is about. Are you for or against all Americans and all plans having these basic rights: the right to see a specialist; the right to go to the closest emergency room; the right to remain with your health care provider throughout a medical treatment, whether it's a pregnancy, chemotherapy, or some other course of treatment; the right to hold a health plan accountable for its decisions if they are harmful?

Senator Daschle's bill would make each of these rights the law of the land. It is strong, meaningful, effective, and if you talk to people who have been affected adversely by the way HMO's too often operate in this country, it is long, long overdue.

Now as you know, there are some who will try to substitute the Republican leadership's

own bill. As Senator Daschle has explained, it is watered down; it is nowhere near what the American people deserve or need. Not only does it offer merely toothless and half-hearted protections, it fails to protect all Americans in managed care. We estimate now that there are 110 million Americans who would not be covered at all by this bill.

Already the opponents are resorting to this \$100 million scare campaign. They allege that a strong Patients' Bill of Rights would cause premiums to rise beyond the reach of average Americans. They are wrong. As Senator Daschle said, the Congressional Budget Office—now, we all remember, going back to 1995, from the day the Republicans assumed the majority in Congress, how they have said we must always rely on the studies of the Congressional Budget Office. We always have to rely on the CBO's figures. But now when the health insurance companies say, "We don't want you to rely on the figures anymore, and we're spending \$100 million to discredit the HMO figures that the same Republican leaders have held up as the gospel truth for 4 years now"—they say it would cost no more than \$2 a month.

And I would remind you that we have some evidence here. I put in place by Executive order the protections of the Patients' Bill of Rights for all those covered by the Federal employees health insurance plan, and it costs less than one dollar a month to implement. So we have evidence, and we have the study of the group that Congress says we should rely on for all of our figures; that is, unless the health insurance companies decide differently.

Now, this is not about dollars; this is about people. It's about whether the people of this country come first in the votes of the Congress of the United States. The people deserve a bill that protects them, not the insurance companies. That is why every single doctors organization, every major nurses organization, every major consumer group stands with us today.

Now we're going to have an honest debate. It should be open, and it should be complete. No cynical, parliamentary maneuver should bypass the need of the American people to know exactly where and why every Member of Congress stands on every issue.

The American people deserve to know whether the Senator they elected is for or against the right of people to see a specialist. They need to know whether every Senator is for or against the right of a doctor to decide, and stopping the right of an HMO accountant to delay—sometimes indefinitely, often until it is too late—the right of a patient to see that specialist. They need to know whether every Senator is for or against the right of somebody who is hurt in an accident to go to the nearest emergency room and not have to bypass one or two or, in the case Senator Dorgan cited yesterday, three emergency rooms before getting emergency treatment. They need to know whether you are for or against maintaining the same doctor during a pregnancy or a chemotherapy treatment if your employer happens to change insurance providers during the course of that treatment. And they need to know whether they are for or against the right to correct and to get remedies when you are hurt by harmful decisions.

This is not complicated. This is not rocket science. And it is very real for the American people out there who feel they have lost control of their ability to have a secure relationship with their health care providers. This is about the way people live. And we now know that it would not be prohibitive in cost, but it could save a lot of lives and untold misery.

So let's have a clear decision. We've waited a long time for this day, and the American people are entitled to know where their Members stand and why.

Now let me say again, this is not a partisan issue anywhere in the United States of America outside Washington, DC. Democrats, Republicans, and independents all get sick. They all have accidents. They all need doctors. And they all have pretty much the same opinion of whether this bill should pass in the form that Senator Daschle has presented it. This is only a partisan issue in Washington, DC.

We have found common ground on health care before. We did provide the right to keep your health insurance when you change doctors—excuse me—when you change employment. We did provide the right of up to 5 million children to get health insurance. It

is unconscionable that we would say—here we are in the last year of the 20th century—that we would say, with all the miracles of modern medicine, “I am sorry; we have found it necessary to allow health care to be organized in such a way that doctors can no longer tell you when you need a specialist”; that “I’m sorry; no matter how badly hurt you are, you may not be able to go to the nearest emergency room”; that “I’m sorry; no matter how difficult a chemotherapy or pregnancy treatment is, you may just have to change doctors in the middle of the stream”; and “I’m sorry; no matter how badly hurt you are, your insurance company should decide whether you get remedies or not.” We don’t need to say that.

The Congressional Budget Office, held up as the sacred authority on financial matters by the Republican majority, says this wouldn’t cost more than \$2 a month a policy. And I’m telling you, there is no excuse for not passing it. I hope the Congress will pass this. The Senate has got to lead the way, and I thank those Members who are here with us today for fighting for all the American people. This is an American issue, not a partisan issue, and it ought to be that way when the votes are counted.

Thank you very much.

Q. What’s your prediction? What’s your prediction on the Daschle bill? Will it pass?

The President. I don’t know—

Q. You don’t know?

Q. Will you veto the Republican bill? Would you veto the Republican bill?

The President. I don’t know what my prediction is. You know, you would think that it would be a no-brainer. You would think—70 percent of the Republicans in America—in America—support this Patients’ Bill of Rights. So, 200 medical and health care organizations and consumer organizations support it. Senator Daschle says that health insurers are spending \$100 million to beat it, and we’re having all these scare tactics, and people are saying, “Oh, the States can take care of this.”

Let me tell you something. I used to be a Governor, and if I were still one, we’d have the strongest bill of rights I could possibly pass through my legislature. But the States cannot cover everybody, number one; and

number two, what they have done is a total patchwork that does not provide any uniformity or protection. Now, I was a Governor for 12 years; I know what these States have done. That is a hollow argument. It is not true. This is one of those things that can only be taken care of this way.

Now you have all these scare tactics. Every time we try to do something, we have this kind of tactic. This is what we heard when we passed family and medical leave. Every piece of social advance we’ve had, you have these kind of scare tactics. But these folks have \$100 million to spend on this and lots of other money, as well. So you know, it’s just not right.

And I figured when the CBO came out with their study, as much as all of us heard about the CBO for the last 4 years, that would close the door. But this is not about the evidence, this is about political power in Washington trying to shut off something that is manifestly in the best interests of the average citizen of this country—and not just the average citizen—every single person covered by an HMO. And I feel that I have some standing to say this, since I have consistently said that good HMO’s can manage health care better. Ever since I got here—but this is wrong. It is just wrong.

And all of these stories that our side on this issue are recounting—all these human stories—to hear the others sort of dismiss this as sort of anecdotes and accidents and odd-man-out stories is ridiculous. This is the way the world works for people out there who feel they have lost control of their most basic needs in life.

And I would just ask every person in America who watches this, who has ever had a child, to think: How you would feel if your child was riding on a bicycle one day and got hit by a car and had to pass two emergency rooms before he or she could get care? How would you feel if your husband was at work being treated in his thirties or forties for cancer, with your whole life still before you, and the employer changes treatment—and then they tell you in the middle of the treatment you’ve got to change doctors? Or if your wife was 6 months pregnant and had a difficult pregnancy and was told the same thing—just ask yourself how you would feel.

And there is nothing on the other side of this.

We have the study now from the CBO, and we have the evidence of the Federal health employment plan which led to increases in premiums of less than a dollar a month. That's what our costs were. How would you feel? And I want to ask all of you who are reporting this—you can't be biased; you have to give their side and ours. But just ask yourself—how would you feel? That's what's happening in America today, and we're here to try to do something about it. And God willing, and the creek don't rise, we'll do it.

Thank you.

NOTE: The President spoke at 9:45 a.m. on the South Lawn at the White House.

Remarks to the Communications Workers of America Convention in Miami Beach

July 13, 1999

Thank you for that wonderful welcome. You, in particular. [*Laughter*] Thank you, President Bahr, Mrs. Bahr, members of the executive committee. President Sweeney, it's great to see you here, to see all of you out here and all of those behind. I always knew the CWA was behind me, but when I saw so many people up here, I thought it was a literal truth today. [*Laughter*]

I want to say I also believe that two gentlemen who came with me are still here—Florida representatives, our Democratic Congressman, Representative Alcee Hastings, and Attorney General Bob Butterworth. I welcome them here.

I came here, first and foremost, to say a simple thank you. Thank you for what you do to make America great. Thank you for what you have done for me and the Vice President. Thank you for the help you have given us to move this country forward.

Harry Truman once said, whenever labor does well, the whole country does well. As usual, he was right. You prove it. The CWA is stronger than it's ever been, and America is more prosperous than it has ever been. The bounty we enjoy today is in no small measure the result of your hard work—every

day programming computers, manning customer service centers, electronically filing news stories, running MRI machines, laying the very cable of the information superhighway. The CWA is building the new economy of the 21st century,

In that endeavor, the Clinton-Gore administration and our allies in Congress have been your partners. Remember what it was like when I became President 6½ years ago? Unemployment was high; the deficit was huge and rising; poverty and inequality were increasing; our social problems were getting worse. We promised to make a new covenant with the American people: opportunity in return for responsibility; a community of all Americans; and a Government committed to giving the American people the tools and conditions they needed to solve their problems and make the most of their own lives.

That strategy was set in motion with our economic plan in 1993. In the years since, we have turned the red ink of deficits into the black ink of surpluses, lowered interest rates, and fueled an economic expansion of truly historic proportions. Meanwhile, we've nearly doubled investment in education and training; put more police on the street and taken more guns out of the hands of criminals; invested more in technology, medical research, in cleaning up the environment; passed family leave and other family-friendly measures, including substantial tax cuts to help families pay for college and to help families raise their children. We showed, in other words, that our Democratic administration could balance the budget while honoring our values.

Now, because we believe it is wrong for any child to be without access to the Internet, one of the greatest vehicles of opportunity the world has ever seen, we created our E-rate program to make sure every classroom—thanks to the leadership of Vice President Gore—every classroom in America can be hooked up to the Internet by the year 2000. We're well over half way there now, and I thank you for your role in that. I also want to thank Morty Bahr for serving on the Advisory Council on the National Information Infrastructure, which laid the groundwork for the E-rate program, which has brought discount after discount after discount to poor

schools and libraries throughout America to make sure everybody can afford to be part of the information superhighway.

Now, because we believe all Americans should have the means to upgrade their skills, we unveiled in January a new initiative to offer literacy and job training to every single working American who needs it now and who will need it in the future. And again, Morty Bahr was there with me at the unveiling, having served on our 21st Century Work Force Commission.

And now, because we believe that to be secure means meeting the challenge of the aging of America by reforming Social Security and Medicare, providing more health care security, more retirement security, and strengthening our economy, we have put forward a sweeping proposal to use most of our surplus for these purposes.

Today I want to talk to you in detail about the challenge of strengthening and modernizing Medicare for the 21st century. The simple problem is that more Americans are living longer. That's a high-class problem. But with the baby boom retirement just ahead of us and more Americans living longer, the number of Medicare beneficiaries is simply growing faster than the number of workers paying into the system. By the year 2015, the Medicare Trust Fund will be insolvent, just as the baby boom generation begins to retire and enter the system, eventually doubling the number of Americans over 65 by the year 2030.

Over the last 6½ years, we've taken some important steps to strengthen Medicare. When I first became President, Medicare was scheduled to go broke this year. We've helped to extend the life of the Trust Fund to 2015 by fighting waste, fraud, and abuse, and taking tough action to contain costs, in 1993 and in 1997.

But we must do more, not only to extend the solvency of Medicare but to ensure that its benefits keep up with the advances of modern science. No one, for example, no one would devise a Medicare program if we were starting from scratch today without including a prescription drug benefit. It wasn't as important back in 1965. Many of the drugs we now use to treat heart disease, arthritis, and

other conditions didn't even exist back then when Medicare was first created.

When it comes to securing health care and its benefits, nobody—nobody—has done more than the CWA. When it comes to controlling health care costs and maintaining quality of care, no union has worked harder or more cooperatively with employers and insurers than the CWA. What you have done for your retired members, we as a nation must now do for all our senior citizens.

Last month I set out a plan to secure and modernize Medicare. Here are its elements:

First and foremost, my plan would provide what every single objective expert has said Medicare must have if it is to survive—more resources to shore up its solvency. The plan would devote 15 percent of the Federal budget surplus over the next 15 years to Medicare to extend the life of the Trust Fund to 2027.

Second, the plan will use the force of competition and the best practices now in the private sector to keep costs down without sacrificing quality.

Third, the plan will allow Americans between the ages of 55 and 65 who don't have health insurance, on the job or in their retirement, to buy into Medicare in a way that does not compromise the solvency of the Trust Fund. This is a huge issue today, with more and more early retirees and others who don't have health insurance and simply cannot afford it in the private marketplace in the years when they may be most vulnerable.

Fourth, the plan will modernize Medicare's benefits to match the advances of medical science. For example, almost every week researchers seem to develop a new preventive screening to catch diseases in their early stages. Unfortunately, the copayments Medicare charges for these tests leads many seniors struggling to pay rent and utility bills to put off getting those tests done until it's too late. It makes no sense for Medicare to put up roadblocks to screenings and then turn around and pick up the much more expensive hospital bills the screenings might have avoided. That's why our plan will eliminate the deductible and all copayments for all preventive services. We pay for it by requiring modest co-pays for lab tests that are often

overused and indexing the very modest part B premium.

But we must help, if we're going to do this right, we must help seniors to meet their greatest growing need, the need for affordable prescription drug coverage.

Now, many of our friends in the other party say, "Well, a lot of seniors have drug coverage today." Well, that's right, a lot do. But 15 million don't, and more are losing it every single day. And a lot of them are paying an arm and a leg for very modest coverage. For those who have good plans, they're not having any problems because our plan on this is entirely voluntary. It provides voluntary prescription drug coverage, paid for largely with resources we will save from making Medicare more competitive and innovative, plus a small fraction of the surplus that is dedicated to Medicare.

This benefit will cover half of all prescription drug costs, up to \$5,000, when fully phased in, with no deductible at all, and all for a modest premium that will be less than half the price the average Medigap policy costs, and will not apply—will not apply—to seniors up to 130 percent of the poverty line. This is a good deal for America, and we ought to do it. It is a program our seniors can afford, provided in a way the rest of America can afford.

Nobody knows better the value of prescription drug coverage than union men and women who have fought hard for drug benefits more generous than those I'm proposing. But retired unionists are among the fortunate few. I say again, nearly 15 million Medicare beneficiaries lack prescription drug benefits altogether. Nearly half of them are not poor; they're middle class Americans. With prescription drug prices rising, the pressure is on employers to cut back or eliminate prescription drug coverage, and it's becoming more intense. Much of that pressure is coming from competing employers who don't offer these benefits. You and your employers should not have to fight this battle by yourselves.

Of course, America works best when we work together to meet our common challenges. Yesterday at the White House, I met with leaders of both parties to discuss the budget and my plan for Medicare. I was

pleased that Republican leaders expressed a willingness to work together with us. But they are putting together a tax plan today that leaves no resources available from the surplus for strengthening Medicare. That is why I am asking Republican leaders, in the interest of saving Medicare, to reconsider the size of their tax cut plan. First things first.

We worked very hard in putting this plan together to squeeze every penny of savings we could out of Medicare without harming the quality of care. But to extend the life of the Trust Fund for a quarter century without devoting a portion of the surplus to Medicare would mean—listen to this—would mean holding spending increases in Medicare to a rate that is more than 60 percent below what private insurance is expected to grow. It can't be done. That would severely cut both the quality and the quantity of health care available to seniors on Medicare, and that will not happen on my watch. I won't let it happen. [Applause] Thank you.

I am pleased that there does seem to be an agreement between the Republican leaders and our Democratic leaders and myself to devote that portion of the surplus attributable to Social Security taxes just to Social Security. But it is critical that we have a so-called lockbox that actually locks in the debt reduction that we get from not spending that money and gives the benefit of that debt reduction to Social Security, so that we can extend the life of the Trust Fund, as my plan does, the Social Security Trust Fund, to 2053—adding 53 years from here to there. That's important.

I'll be talking more about this later, but the Social Security Trust Fund is expected to last until 2035 now. It's even more important that we devote some of these funds to Medicare right now because Medicare is expected to be insolvent almost 20 years earlier, in 2015.

We as a nation have got some big choices to make in the next few months. We've got to decide what to do with this surplus. Did you ever think a few years ago we'd even be having this conversation? We had a \$290 billion deficit when I took office; it was supposed to be up to \$380 billion this year. We quadrupled the debt—4 times—quadrupled the debt in 12 years. So I realize that it's

tempting for a Congress to say, “Well, 16 months before election, let’s do what is most immediately pleasing, whether it’s right for America over the long run or not.” This is a big test for us, for our wisdom, for our judgment, for our concern for our people and their future.

I think the right choice is to devote most of the surplus to saving Social Security and Medicare. Let me tell you—and let me walk through this with you again, because under our plan, besides reforming and saving Social Security and Medicare, this plan will allow us to pay off publicly held debt to make America debt-free in 15 years for the first time since 1835.

Now, what does that mean to the Government? It means when you pay your tax money, we’re not spending 13, 14, or 15 cents on every dollar of your taxes just to pay interest on the debt. It means that future tax burdens can be lower.

What does it mean to ordinary citizens right now and every year from now on? It means if America is on a path to becoming debt-free, interest rates will be lower. That means businesses can borrow at less cost. That means more new investment, more jobs, and more money for higher wages. It means average families can borrow at less cost. That means lower home mortgages, lower credit card payments, lower car payments, lower college loan payments. I’m telling you, the average family will save a whole lot more under this plan looking after our future than they will under the tax cut plan offered by the other party.

Now, because their plan spends almost all the non-Social Security related surplus on a tax cut, it would not only do nothing to restore Medicare, it would require deep cuts in those things we need to be investing the most in: in education, in hiring those 100,000 teachers, in medical research, in technology, in preserving the environment, in modernizing our national defense. We won’t have the money to do that.

And again I say, this is a mistake because our plan has a sizable tax cut, nearly a quarter trillion dollars for middle-income families to meet their crucial needs, for child care, for long-term care, for saving for retirement. It provides tax cuts for building world-class

schools, for developing and installing new environmental technologies, for funding the new markets initiative, which I highlighted on my tour to the poorest parts of America last week, simply to say we will give you the same tax breaks to invest in poor areas in America we give you to invest in poor areas overseas. It is the right thing to do.

So here’s the choice: We can save Social Security and Medicare and make Medicare better. We can make America debt-free, giving our children a stronger economy and all of you lower interest rates. We can still have a good-size tax cut, but not as large as the one the Republican leaders propose.

Again I say, their plan would spend almost the entire non-Social Security portion of the surplus on tax cuts. It wouldn’t extend the solvency of Medicare by a single day. Depending on how they do it, it might not extend the solvency of Social Security by a single day. It would force drastic cuts in education, research and technology, defense, and the environment. It would mean not paying off the debt and leaving us and our children more vulnerable to higher interest rates, a higher level of Government spending for interest payments alone, higher taxes in years to come, a weaker economy, itself more vulnerable to the kind of global financial turmoil we’ve all seen in the last couple of years.

So that’s the choice: an America debt-free, with Social Security intact and Medicare even better, and a substantial tax cut; or a return to the “spend now, pay later” approach that will not save and strengthen Medicare, may or may not lengthen the life of Social Security, will certainly cut education and other vital programs, and again I say, over the long run will be far more costly to every person in this room and every working family in the entire United States.

I believe we all want—Republicans and Democrats and independents—the strongest possible America for our children. I’m encouraged by the tone and the substance of the meeting I had yesterday with the leaders of Congress in both parties. So I ask again the Republican leaders in Congress, for the sake of saving Medicare and strengthening our future, to reduce the size of your tax cut and join us in putting first things first.

If we would sit down at the table like responsible family members and figure out how much it would cost us to meet our current obligations to education, defense, and other things, what we have to do to save Social Security and Medicare, not just for the baby boom generation but for their children and grandchildren who otherwise will be spending money they need to get along, to pay for education, to pay for the future on their parents, then we could figure out how much is left over for the tax cut. That's what I've tried to do, because I think it's the right thing for America. First things first, putting people first. It's the American way.

And to my fellow Americans who may think that this is just one of those Washington debates, and one side makes their side sound good and the other side makes their side sound so good, and it's all just a bunch of politics, all I can offer is the record of the last 6½ years.

I ask—think about it—with your help, we have nearly 19 million new jobs, the longest peacetime expansion in history, the lowest crime rate in 26 years, the lowest welfare rolls in 30 years, the highest homeownership in history, the lowest minority unemployment rates ever recorded. We have declining rates of teen pregnancy, smoking, and drug abuse. We have cleaner air, cleaner water, and safer food. We've got 90 percent of our children immunized against serious childhood illnesses for the first time. We've had 100,000 young people working in our communities in AmeriCorps, making America better and earning their way to college. The record indicates that when we say something is good for America's future, it probably is good for America's future.

That's why we're trying to pass this Patients' Bill of Rights they're debating up there today. Think how you would feel—that's what I asked the Senators to do today—think how you would feel if it was your child, your wife, your husband, and the question was, your doctor says you need to see a specialist and your HMO accountant says you don't. Should you have to hassle it out for 3 months? And then, if the damage is irrevocable, shouldn't you be able to hold somebody accountable? Think how you would feel.

Think how you would feel if—God forbid—you got hurt in an accident outside this convention hall and the ambulance had to drive you past two or three hospitals until they finally got to one covered by your HMO. Depending on what kind of injury you had, it could just be much more painful or terribly devastating.

Think how you would feel if your small employer changed health care providers in the middle of your wife's pregnancy or in the middle of the husband's chemotherapy treatment, and they said, "I'm sorry; I know this is traumatic. I know you're 6 months pregnant and you've had a terrible pregnancy, but here's a new doctor for you. I know your life is on the line and you've got great confidence in this doctor supervising your chemotherapy treatment, but here's a new doctor for you."

I just try to think about what's right for the American people. Oh, they'll tell you how much it costs up there. But we put in the Patients' Bill of Rights for the Federal employees; its cost, less than a buck a month a policy to comply with. The Congressional Budget Office says that, at the most, it would cost \$2 a month a policy. Don't you think it's worth \$24 a year to know that when you need to see a specialist, you can see one?

So that's what we're trying to do—with our proposal to modernize schools, to finish hiring 100,000 teachers, to put even more police on the street, and take even more guns out of the hands of more criminals. And that's what we're trying to do by shining the light of enterprise and opportunity at America's poorest communities. And most of all, that's what we're trying to do with our plan to save Social Security and Medicare, provide that prescription drug benefit, and make America debt-free.

You know, in a year and a half, I'll retire with a pretty nice pension. I'll be all right, regardless. Thanks to the CWA, most of you will be all right, regardless. But you know, if we haven't learned anything in the last 6 years, it ought to be that the policies that help the least of us help all of us; that when we strengthen America's families and workplaces and communities, we're all better off.

A lot of people that have made a lot of money out of the stock market in the last

6½ years, when it's more than tripled, they'd have been all right if the stock market hadn't gone up. But they're a lot better off because the lives of average Americans have gone up. That's why the stock market's done better.

And so again, I'll say to all of you, we've got this phenomenal opportunity, the opportunity of a lifetime, of a whole generation, to use the last 16 months of this century to get the 21st century off to a rousing start for America. We just have to be faithful to the covenant we made with the people in 1992. We have to put first things first. We have to put people first. And if we do it, watch out, you ain't seen nothin' yet.

God bless you, and thank you.

NOTE: The President spoke at 1:35 p.m. in Hall D at the Miami Beach Convention Center. In his remarks, he referred to Morton Bahr, president, Communications Workers of America, and his wife, Florence; John J. Sweeney, president, AFL-CIO; and Robert A. Butterworth, State attorney general.

Statement on the Surrender of the Suspected "Railway Killer"

July 13, 1999

I want to thank all of the State, local, and Federal law enforcement officials whose hard work led to the surrender of the suspected "railway killer" earlier today. As a result of their determined efforts and the cooperation of Mexican authorities, the suspect is now in custody in the United States. All Americans can rest easier knowing that law enforcement authorities will bring the full force of the law to bear in this case.

Message to the Senate Transmitting the Paraguay-United States Extradition Treaty

July 13, 1999

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of the Republic of Paraguay, signed at Washington on November 9, 1998.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report states, the Treaty will not require implementing legislation.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

Upon entry into force, this Treaty would enhance cooperation between the law enforcement authorities of both countries, and thereby make a significant contribution to international law enforcement efforts. The Treaty would supersede the Extradition Treaty between the United States of America and the Republic of Paraguay signed at Asuncion on May 24, 1973.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

William J. Clinton

The White House,

July 13, 1999.

Message to the Congress Transmitting a Report on the National Emergency With Respect to Weapons of Mass Destruction

July 13, 1999

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report on the national emergency declared by Executive Order 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons.

William J. Clinton

The White House,

July 13, 1999.

Remarks at a Democratic National Committee Dinner in Coral Gables, Florida

July 13, 1999

Well, thank you very much. I must say I have had a wonderful time in south Florida today, as I always do. I got to speak to the communications workers convention earlier today, and then I got to play golf with some of you in this room. I didn't play all that well, but I had a good time anyway. [Laughter] And now Coach Riley is giving me this Miami Heat gear, and I might say Hillary will be very jealous of me. She thinks that Pat Riley is the best looking person in the NBA. [Laughter] And we're thrilled by the success that you've had down here, Coach.

I have so many friends in this room, and I hesitate to even start to say any, but let me begin by saying, Alfie, you were there for me from the beginning, and you've been there—we've gone through some difficult times. And I want to thank you personally for the extraordinary effort that you made, with Mitch Berger and others, to resolve this issue of where we would go and how we would save the Florida Everglades. And now I think we're going to do it, and I thank all of you for being involved in this. I thank you.

I want to thank Attorney General Butterworth and Marta for being here, and Bill and Grace Nelson. And I almost never ran without opposition; I guess Bill's going to get through the primary without any. That's pretty impressive. That's the best way to run, I think. I want to say to all of you, that's a profoundly important race in 2000. We have a lot of highly competitive United States Senate races. And who wins will have a lot to do with what our country will be able to accomplish in the first 3 or 4 or 5 years of the next millennium.

I want to thank Representative Carrie Meek and Representative Alcee Hastings for being here, and I want to thank them for their wonderful support over the years. I want to thank my good friend Adele Graham for being here—and with her daughter and her about-to-be grandchild—[laughter]—and her son-in-law. Thank you. Bob was reminding me, their 10th grandchild—it doesn't seem—I knew Bob and Adele when

their kids were maybe not even all in high school. It seems impossible to me that they have, or are about to have 10 grandchildren.

I'm here tonight also because this State's been very good to me, from 1991, in December, when I won the Florida straw poll, thanks to a number of you in this room, including Representative Elaine Bloom—I hope you're going to send her to Congress to join Terry. Pat was telling me he wanted to make sure the Democrats targeted Florida in the year 2000 because I argued with all the Democratic Party people in '92, I said, "We can win Florida." They said, "You're crazy." And we nearly did, in spite of everything. I think we spent \$3.50 here in 1992—[laughter]—and took a lot out and nearly won anyway. And in '96—we had our first campaign meeting in 1995. I said there was one issue over which we will have no argument. The first meeting, 5 minutes into the first meeting, I said, "This year we're going after Florida, and we will win." And thanks to you, we did. And I thank all of you. So I'm very, very grateful to all of you for that.

And I'm also here because Charlie Whitehead has been my friend a long time. I'll tell you an interesting story. It's a little bit about human nature that you never forget. I first came to Florida to give a speech in 1981. Now, when I was invited to Florida to give a speech by Charlie Whitehead in 1981, he thought he was inviting the youngest Governor in America. Then we had the Reagan landslide, and it turned out he was inviting the youngest ex-Governor—[laughter]—in the entire history of the Republic, you know? [Laughter] You can't imagine what it was like back then unless you went through it, man. [Laughter] Our friends on the other side, some of them are fairly cold-blooded, and the guy that defeated me terrorized—I had contributors, people I had actually appointed to office who were afraid to speak to me on the street. True story.

So I was rather amazed that anybody still wanted me to come to Florida and get a sun-tan. And so I came and I made the best little talk I could. Then I got reelected, and he invited me back in '83. And then I got to come back in '87—so I became a regular fixture at the Florida Democratic Convention, and I came to love it very much.

But I'll never forget the fact that when I was down and out and I didn't think I'd ever get invited to the smallest Rotary Club in my State again and my career prospects were something less than bright, Charlie Whitehead still wanted me to come to Florida to give a speech. And I will never, ever forget it, and I thank you.

Alfie told you why he's a Democrat. I thought he made a remarkable statement. Somebody asked me the other day what I thought about Governor Bush raising \$36 million. I said it just proves I didn't discriminate in my economic policies—they benefited the Republicans, too. *[Laughter]* And as far as I'm concerned, they can spend their money any way they wanted to. That was not part of my deal, but we helped to make it.

I've got a friend in New York who's a very wealthy and successful businessman, an ardent Democrat, who's now going to every person he knows on Wall Street and saying, "Look, if you paid more taxes in 1993 than you made in the stock market, support the Republicans." *[Laughter]* "But if you made more money than you paid in taxes, you better stay with us, and it will keep going." So you might remember that, you all, when you're out there moseying around. *[Laughter]* You don't even have to give me credit for it. Just sort of mosey around and say it. *[Laughter]*

Anyway, I've had a wonderful relationship with this State. The last time I was here I was at the Garys' home, and what a wonderful night we had there with so many of their friends. And we had great music—I think he had the Drifters there, and Willie got up and sang with them. He could actually leave his day job, unlike me. *[Laughter]*

I want to say just a few things to you tonight. I spent most of the 1980's, except for my brief period out of office, as a Governor. My seatmate for most of that time was Bob Graham. I think I served with 150 Governors. If you asked me to make a list of the five best I served with, he would certainly be on that list.

But we had an interesting time of it in the 1980's, in that Republican ascendancy when we were out here in our States trying to make our schools better, trying to generate income, trying to build a future. And I spent a lot

of time thinking about what makes America work, what were the challenges of our country, what should the Federal Government do, and what shouldn't it do. And in 1991, when I decided to seek the Presidency, I had thought for years and years and years not so much about what I would do but what I thought our country should do. And one of the reasons that I've been very pleased with the Vice President's campaign is that alone among all the people running in both parties, he is the only person who said, "Now, before I tell you that I want you to vote for me, I want you to know what I intend to do if I get elected." And I think that's pretty important.

And so I said to the American people, I didn't think our country was headed in the right direction for the 21st century. Unemployment was high; social problems were worsening; there was a sense of drift in the country. And I asked the American people basically to embrace a vision of politics that was premised on some simple ideas. One is that we ought to be committed to opportunity for every citizen who was responsible enough to deserve it. The second was that we ought to be committed to building a community that embraced every law-abiding American without regard to whatever differences they had in their God-given characteristics or their choices in life. The third was that the Government of our country ought to be smaller, but more active, and ought to be focused not on trying to solve all the problems but being a good partner, giving people the tools they need to solve their own problems and live their own dreams.

And I said if we did the right things and embraced some new ideas, I really believe that we could go into the 21st century with the American dream alive and well for everyone, with America coming closer together instead of drifting further apart, and with our country still the world's leading force for peace and freedom and prosperity around the world.

Well, 6½ years later, I have been profoundly gratified by what has happened. Our country has nearly 19 million new jobs; the longest peacetime expansion in history; a 26-year low in crime; a 30-year low in the welfare rolls; declining rates of teen pregnancy,

teen smoking, teen drug abuse; 90 percent of our kids immunized against serious childhood diseases for the first time in our history; the highest homeownership in history; the lowest minority unemployment rates ever recorded; 100,000 young people have served our country and their communities through AmeriCorps and earned some money to go to college. We changed the tax laws now so that through tax credits we've really, literally, opened the doors of college to anyone who's willing to work for it. We set aside more land for preservation than any administration in the history of this country, except those of Franklin and Theodore Roosevelt. The air is cleaner; the water is cleaner; the food is safer. And we've been a force for peace in the Middle East to Northern Ireland to Bosnia and Kosovo. It has been a wonderful ride. And for the role that all of you had in it, I am grateful.

Why am I here tonight? I'm not running for anything. I'm here tonight for two reasons. Number one, I don't want the country to go on idle for the next year and a half while everybody plays games about the next election. There's plenty of work to do, and everybody in Washington is still drawing a salary from you; therefore, we are expected to show up for work every day. I do, and I want everybody else to do the same. And there are some big challenges out there.

The second reason is—and I will talk more about that in a minute—the second reason is, it is very important that we build the strength of the Democratic Party at the grassroots level so that every person can answer the question Alfie answered, each in your own way. Why are you here tonight? You're going to go about your life tomorrow morning. You'll come in contact with all different kinds of people. People ask you, "Why did you come?" You might say, "Well, it is a beautiful house." [Laughter] That would be a good reason to come, but it won't persuade anybody else. You need to know—and you can tell them what I just told you—that this is working.

And when people make their judgments in 2000, no one should believe that you're just riding on a clean slate, that there's no connection between the candidates and their ideas and what they're committed to and the

consequences that will flow to the country. You can see it today in Washington.

We're debating the Patients' Bill of Rights. Two hundred organizations have embraced the bill unanimously supported by the Democratic Senators, unanimously supported by our side: The American Medical Association and all of the other major doctors groups, the American Nurses Association and all of the other major health care groups, all the major consumer groups. The health insurers are on the other side. Why? They think it will erode their profits. And they're claiming—they're telling the American people that all these people that are in managed care plans, if we guarantee basic fundamental rights that we ought to be able to take for granted, your premiums will explode. This is just one of the issues that's before us.

What are those rights? Most of us probably have good health care; we don't have to worry about it. But I'm telling you, millions and millions and millions of people who are in managed care today do not know whether they can get to see a specialist if their doctor tells them they need it, or whether some accountant can tell them no, they can't. There are people in managed care plans today that if—God forbid—they should go outside and get hit by a car, they would have to go by one or two hospitals before they would finally get to a hospital emergency room covered by the plan. That's not right. When people are hurt, they ought to go to the nearest health care, not the farthest, because it's covered. There are people today who work for small businesses who, if the small business changes their health provider while a woman is 6 months pregnant, no matter how difficult the pregnancy, or a woman or a man is undergoing chemotherapy for cancer, might be told in the middle of the treatment they have to change physicians. And I don't think that's right.

Now, the Congressional Budget Office, which until this moment—until this very moment—from the day they got into the majority, the Republicans have said is the end-all and be-all, the authority on everything having anything to do with money. You ask Alcee and Carrie. They tell us every time, you know, whatever they say is what we do. So they said if we guarantee these rights to all

Americans, it might—it might—raise health insurance premiums by as much as \$2 a month. I think it's worth it to see a cardiologist or to keep your pediatrician or to keep your obstetrician or to stop at the nearest emergency room. There is no reason in the world that we shouldn't.

And it's another—going back to what Alfie said—my premise is, if you do what's right for the people, the country tends to do pretty well. Those of us who have been blessed with the means to make money or with good educations or with good positions in life, we tend to do pretty well, regardless—but we do a whole lot better when everybody else does well.

We have a big decision to make. Are we going to deal with the challenge of the aging of America now that we have this surplus? Did you ever think we'd be debating what to do with a surplus? [*Laughter*] When I took office the deficit was \$290 billion; the debt total had quadrupled in the previous 12 years; we were spending 15 cents plus every dollar of your tax money on interest payments on the debt. Elaine will go to Congress, and first thing she'll have to do—she has all these things she'd like to do for you, whether it's investing money or giving you tax relief or you name it. Well, the first thing she has to do is to figure out how much of every dollar you pay in taxes you've got to take right off the top just to pay interest on the debt.

So now we have this surplus. And I'm gratified that there seems to be agreement between both parties that we ought to take that portion of the surplus that's produced by your Social Security taxes and set it aside for Social Security. Now, how we do that will make all the difference. But they want to spend the rest of it on a tax cut. And you know, it's getting close to election and I'm sure it's popular, but I'd like to tell you what the consequences of that will be.

If we do it, there will be no new money put into Medicare. There's a representative here tonight who told me he worked for a hospital and the hospital already is out \$6 million this year because we cut Medicare too much in the balanced budget amendment for a lot of urban hospitals that deal with a lot of poor people. That's true with

a lot of teaching hospitals, a lot of university hospitals.

I propose to put 15 percent of the surplus into Medicare, provide a prescription drug benefit, to provide free preventative services so older people will go in and get all these tests and screenings and prevent themselves from getting sick. It doesn't make any sense for us—we don't pay for the preventive screenings, so people don't get them. Then they get sick, they go to the hospital, they cost 10 times as much, and we pay for that. Better to keep people well. So that's what I think we ought to do.

I also don't think we ought to cut education or our investments in medical research or technology or the environment or defense by the 25 to 35 percent it would cost to fund this program over the next decade. I think that's a mistake. I think that's a mistake.

But we have offered the American people a sizable tax cut, targeted at child care, to long-term care if your family needs it, to help all families save more for their retirement, to help build world-class schools, to give people the same incentives to invest in poor neighborhoods in our inner cities and rural areas. You saw me visiting some of them last week at our Native American reservations.

I think they ought to have—every one of you in this room with money ought to have the same incentives to invest in those areas that you get today to invest in poor areas overseas. I'm not against that; I'm glad we invest in the Caribbean and Latin America and Asia and Africa. But I believe you ought to have those same incentives to invest in the Indian reservations, in the Mississippi Delta, in Appalachia, in inner cities in Florida, in New York, in California, and wherever else in this great country of ours. I think it's important.

Let me just say one other thing. If my plan gets adopted, we'll save most of this surplus for Social Security and Medicare. As we save it, our debt will go down, because we don't have to spend it right away. We'll run Social Security's Trust Fund out until 2053; we'll run Medicare out to 2027—it will be the first time in everybody's memory that it's been stable for that long. We'll be able to handle the retirement of the baby boom generation. The interest payments on the debt

will go down, and we'll take the savings on the interest and put it into Social Security. And, guess what? For the first time since 1835, in 15 years this country will be debt-free.

Now, why—and I'd like to tell you all, particularly those of you who are younger and have young children, why that's important. I predict to you that 10 years from now, when your 10 grandchildren are all getting up there, it will be the conventional wisdom all around the world that wealthy countries ought to be debt-free. Why? Because we live in a global economy; this money moves around; the interest rates are set by global movement. All of you know this.

If we are out of public debt, what it means is, interest rates in America will be lower. That means more business investment, higher business profits, more money for more jobs, and higher wage increases. It means ordinary people have lower home mortgages, lower car payments, lower credit card payments, lower college loan payments. It means that our children and our grandchildren will have a more stable economy. It means when the world gets in trouble like it did 2 years ago in Asia and there's a terrible financial crisis, we won't have to worry about it because we won't be borrowing money. And our friends we want to help will be able to get the money they need at a lower cost. This is a huge deal.

Now, all of this takes more time to explain than somebody saying, "Look, I'm going to take this surplus and put the part paid by Social Security into that and give the rest back to you in a tax cut." That just took me 5 seconds to say. It sounds great. But keep in mind, I'm not running for anything. But I do want to be able to bring my grandchildren to Florida someday and show them the things that I did when I was a young man here, and tell them the stories about what you did for me and know they're living in America that is having its best days.

And I'm telling you, did you ever think we'd be sitting here having a national debate about what to do with the surplus? We can have a tax cut. The question is, how big can it be and still allow us to fulfill our fundamental responsibilities to make sure America is the strongest country in the world in the 21st

century and every American, without regard to race or religion, has a chance to live out their dreams? This is the question before the Congress today. That is the question before the American people today.

I'm going to do my dead-level-best to work with the Republicans. I have told the Democrats, and I think almost all of them agree with me, that we should do this. There will be still plenty we disagree with by the 2000 election—take it from me. *[Laughter]*

Florida is not known—for example, we have a 26 year low in the crime rate, right? Part of the reason is we put 100,000 police on the street, and we passed the Brady bill, which has kept 400,000 people with criminal records from getting handguns. Now, when we passed the Brady bill, I remember what the Republican leaders and the NRA said. They said, "This is a worthless bill because those criminals do not buy guns in gun stores; they get all their guns at gun shows and flea markets and stuff like that." So we passed the Brady bill—turned out they were wrong—400,000 people who shouldn't have handguns were trying to buy them at gun stores. And that's one of the reasons the crime rate has gone down.

But now we said, "Hey, you guys might have been right. Let's close the gun show loophole. Let's do the background checks at the gun shows and the flea markets." They said, "Oh, goodness, we couldn't do that," even though they told us 4 years ago that's where the criminals are buying the guns. Florida, no flaming liberal State, right? *[Laughter]* Left-wing, pinko Florida voted 72 percent in the last election to close the gun show loophole. We can't close it in the Congress for the country. Why? Because the leadership of the other party and the NRA won't let the rank-and-file Republicans vote for it. That's the truth.

In the Senate, 98 percent of our side voted to do it, and 90 percent of theirs voted against it. In the House, 75 percent—almost 78 percent of our side voted to do it, and 85 percent of the their side voted against it. There are real, significant partisan differences here—on the Patients' Bill of Rights, on how to keep America safe, and other things.

But you know, we'll all going to get older. The baby boom is going to age. There will be twice as many people over 65 in the year 2030 as there are today. And whether we like it or not, we Democrats are going to get old just like the Republicans. [Laughter] And we are never going to have another time like this in our lifetime. We should not wait to save Social Security, to save Medicare, and to get this country out of debt. We shouldn't wait; we don't need to do that. We shouldn't wait to pass the Patients' Bill of Rights. We shouldn't wait to continue the improvements in education that we've worked so hard on the last several years. There will be plenty to argue about in 2000. So I hope we can do it.

But you ask me why I'm a Democrat. I'm a Democrat partly for the reason Alfie is. When ordinary citizens in this country do well, when poor people have a chance to work their way into in the middle class, the rest of us who have been gifted and blessed and are lucky as sin, we do just fine, even better than we would if those folks were in trouble, first of all.

Secondly, life is about more than money. And when we live in harmony with our friends and neighbors, when we have a feeling that our society is just and moving in the right direction, when we know that people who are less fortunate than we are are going to have a chance to live out their dreams, and when we come into more contact with more different kinds of people, life is more fun, more interesting, and more rewarding. So all those things are terribly important to me. And when they ask you why you came tomorrow, say you came because of those things. Say you came because our ideas worked. And say you came because what we're fighting for now is right.

Let me just say a few words—Alfie asked me to talk about the Cuban issue and the unfortunate incident with the people who were trying to come here. I'd like to put it into a larger context. One of the most frustrating things to me as President—people say all the time I'm a reasonably good communicator, but I don't think I've succeeded in convincing the American people entirely that America is living in a world that's increasingly interdependent and that our prosperity and

our security and the quality of our life is more and more caught up with how we relate to other people throughout the world.

I'm proud of the fact that we stopped the ethnic cleansing and slaughter in Bosnia in 1995, and I'm proud of the fact that we didn't let it go on for 2½ years before we stopped it in Kosovo. And that's a long way away. And you may say, "Well, that's a long way away." I mean, it's amazing—we lost no pilots in combat. They had far fewer civilian casualties than we would have had if there had been some massive invasion. But over 650,000 of those people have already gone home. Václav Havel, the great Czech President, great hero of liberty and human rights, said it was the most moral, selfless war ever fought, because the people who carried it forward—we didn't want anything; we didn't want territory; we didn't want power; we didn't want money. All we wanted was to create a world in which Europe could live without people being killed because of the way they worship God or because of their race or ethnic background.

We're trying to set up the same systems that will prevent that from happening in Africa. We're working today to diffuse the conflict between India and Pakistan. We're looking forward—I'm eager as a kid with a new toy for the meeting I'm going to have with the new Israeli Prime Minister this weekend, in the hope that we can begin to energize the peace process in the Middle East on terms that are just and fair and will guarantee genuine security for Israel and a way of living for the Palestinians that will bring reconciliation and a resolution of all these issues with Syria so that there can be peace in the Middle East. These are things I believe in, just like I believe we were right to expand trade.

I haven't convinced everybody in my party we were right about that. But if you think about it, we're 4 percent of the world's people; we've got 22 percent of the world's income. There's no way for us to keep 22 percent of the world's income unless we sell something to the other 96 percent of the world's people. To me, it's not rocket science, and I know there are difficulties, but we have to do it.

Now, one of the things that I've tried to do as President is to be more active with the

Caribbean and with Latin America. I'm trying to pass a Caribbean Basin Initiative through the Congress that will enable us to be better neighbors to our friends in the Caribbean.

I have had now the opportunity to participate in two Summits of the Americas. Every country in the Caribbean and Latin America is a democracy but Cuba, and it is a continuing frustration to us. We have an embargo, a tough embargo that's even tougher than it was before those people were shot out of the sky. And you remember that, just a few years ago, which led to the passage of the new legislation. There is no question that they were flat out killed illegally. It was wrong.

So what we have tried to do recently is to be firm with the Government of Cuba and make it clear that we can't be forthcoming until they change, but that we want to help the people of Cuba and their suffering and keep families here in communication, one with another. One of the most difficult things has been how to handle the people that want to get away, particularly when you know, well, from time to time they've been used as a political weapon.

So a few years ago, we reached an understanding with Cuba, and we've tried to use the Coast Guard, as Alfie said, as a lifesaver. We have, completely independent of that—and you should know this—completely independent of what is happening with Cuba, the United States has had more and more and more people come to this country, principally in California and New York, under the control of alien smugglers, cruel people who enslave people and bring them here.

So the Coast Guard, in part, I think, has tried to react more to try to cut down on alien smuggling. But what happened with the way those people were sprayed and all that, it was outrageous. I want you to know it was not an authorized policy. None of us knew anything about it in Washington until we saw it on the news or read it in the newspapers, just like you did. We have taken vigorous steps to make sure it does not happen again, and the incident is being thoroughly investigated.

So now we have to look and see whether or not the policy we have is manageable,

given the problems that we're facing. But we still have to try to have a legal, orderly process by which people come from Cuba to the United States.

A few years ago, I expanded the number of people who could legally get visas to come here to 20,000 a year, and we are reviewing this whole situation now in light of what has happened. But I do believe that the general statements Alfie made at the beginning are the correct ones. We have to try to keep the movement here orderly, safe, and legal, and we have to look at the new challenges that have been presented to us. But I want you to know that there will never be a time when any of us will willfully sanction the use of excessive or inhumane tactics in dealing with anybody coming to this country.

We have to try to enforce our laws; we have to try to protect our borders; we have to try to deal with a situation which could, as you well remember from times past, spiral out of hand. And I am reviewing what the facts are and what our options are. But I want you to know that the values that will guide us, I think, are the right ones.

So last thing I want to say is, thanks for giving money to the Florida Democratic Party. [Laughter] Pat, I will do my best to make sure nobody gives up on Florida. I haven't given up on Florida. We're going to get a Senator. We're going to get Members of Congress. You're going to have gains in the legislature, and I believe we can carry it in the Presidential race in the year 2000 if it is clear what the issues are and what the choices are. And you can't do that if you don't have folks like you out here who know good and well what they are and are willing to say it, and if you don't have people like you who are willing to give money so we can get our message out to the larger populace.

You have done that tonight. You have validated Whitehead's decision to come out of retirement. You've made sure that the old lion will not return to his den prematurely. [Laughter] So for all that, I am very grateful. Mostly, I am grateful that you have been so good to me and to Hillary and to Al and to Tipper in what has been the experience of a lifetime. But we're not done yet, and we owe it to the American people to give them our best down to the last day. That's what

I mean to do, and I'm going to do what I can, wearing my Miami Heat outfit—[laughter]—to keep enough heat in Washington to make sure they do the same.

Thank you very much.

Mayor Penelas just came in. Thank you very much, Mr. Mayor. Good to see you. How are you? Welcome.

NOTE: The President spoke at 9:08 p.m. at a private residence. In his remarks, he referred to dinner host Alfonso Fanjul; Mitchell W. Berger, member, South Florida Water Management District; State Attorney General Robert A. Butterworth and his wife, Marta; State Treasurer Bill Nelson and his wife, Grace; Senator Bob Graham's wife, Adele, daughter Kendall Elias, and son-in-law Robert Elias III; Charles A. Whitehead, chairman, Florida State Democratic Party; Gov. George W. Bush of Texas; former Gov. Frank White of Arkansas; Willie E. and Gloria Gary, who hosted a DNC dinner in Stuart, FL, on March 16; Prime Minister Ehud Barak of Israel; and Mayor Alexander Penelas of Metro-Dade, FL.

Remarks in the Democratic Leadership Council National Conversation in Baltimore, Maryland July 14, 1999

The President. Thank you very much. You guys look good out there. [Laughter] I want to thank Al for inviting me. And thank you, Cruz, for your wonderful remarks and your generous introduction. One thing I like about the California Lieutenant Governor is he doesn't beat around the bush; you know what's on his mind. [Laughter]

I shouldn't do this because it's not really Presidential, but I'm going to do it anyway. I have really—you've got to give it—this "compassionate conservatism" has a great ring to it, you know. It sounds so good. And I've really worked hard to try to figure out what it means. I mean, I made an honest effort. And near as I can tell here's what it means—it means: "I like you, I do." [Laughter] "And I would like to be for the Patients' Bill of Rights, and I'd like to be for closing the gun show loophole. And I'd like not to squander the surplus and save Social Security and Medicare for the next generation. I'd like to raise the minimum wage. I'd like to do

these things. But I just can't, and I feel terrible about it." [Laughter]

Oh, that will come back. [Laughter] I would like to thank—you don't have to give me credit if you repeat that back home. [Laughter] I want to thank you all for being here today. We have five Governors: Governor Glendening, Governor Barnes, Governor Carnahan, Governor Carper, Governor Vilsack; Lieutenant Governor Kathleen Kennedy Townsend is here, along with Lieutenant Governor Cruz Bustamante; Mayor Schmoke, the leaders of the Maryland legislature, Senator Mike Miller and Speaker Casper Taylor; any number of other officials.

I brought a large delegation from the White House, including Secretary Glickman and a number of people who have been particularly close to the DLC, including Sidney Blumenthal and your old hands, Bruce Reed and Linda Moore. And I brought a person who joined the DLC with me back in 1985, although he says he joined before I did—my first Chief of Staff and the former Special Envoy to Latin America, Mack McLarty. So we're old hands, and I thank them all for coming with me today.

This is the third National Conversation about a talk that Al From and I have been having for nearly 15 years now. Today we can have a very different conversation than we had 15 years ago, or even half that long ago, because of the proven success of new Democratic ideas.

When I first ran for President back in 1991, I asked for a change in our party, a change in our national leadership, a change in our country. The American people have been uncommonly good to me and to Hillary, to the Vice President, to Tipper, to our administration, and thanks to their support, we have changed all three things. The ideas of the men and women who are here today are rooted in our core values of opportunity, responsibility, and community. They have revitalized our party and revitalized our country.

We won the Presidency in 1992 with new ideas based on those values, because the American people could see and feel that the old ways weren't working. We won again in 1996 because, with the help of a lot of people in this room, we turned those values and ideas into action. And they did work to get

our country moving again—or in the words of Cruz Bustamante, they did help real people.

Now, as we move into a new era and a new millennium, these ideas, as all of you well know, have spread around the world. They've helped center-left parties to take power in Great Britain and France and Germany and Italy and Brazil. They have sparked the kinds of debates and discussions that you have been having in virtually every country in the world where people take politics seriously. The Third Way has become the way of the future.

And when you hear our friends in the other party sort of use the same words in the same way, if imitation is the sincerest form of flattery, that, too, is something we should welcome.

I told the little story at the first because, as the Lieutenant Governor said, rhetoric and reality are sometimes two different things, and it's better when they're not, when they are the same thing. But it shows you the grip that the idea of a dynamic center has on thoughtful people throughout the world. It shows you how desperately people want new ideas, experimentation, an end to bitter partisanship, a genuine spirit of working together. And wherever that exists, it is a good thing.

As we move into the information age, we really, as Democrats, have reclaimed the true legacy of Franklin Roosevelt, which is not a particular set of programs but a real commitment to bold experimentation, to the idea that new times demand new approaches, and often a different kind of Government.

America was ready to listen to that back in 1992. You know it's almost hard to believe now, and we may have to remind our fellow citizens in times to come just what it was like back then—how high the unemployment was; how stagnant the wages were; how steeply growing the inequality was; how fast the social conditions were worsening.

Then, the Democrats were seen too wedded to the programs of the past to make the necessary changes for today and tomorrow. The Republicans were too committed to the idea that Government was the cause of all of our problems, and neglect, therefore, was the right response.

They won election after election at the national level by sort of dividing our people and putting up cartoon caricatures of our Democrats as somehow not really American, not really in touch with the values of ordinary citizens. And they were so good at it, they came to see the White House as their private fiefdom. I'd always get a little kick out of the fact that our friends on the other side of the aisle rail and rail about entitlements; they really don't like them. But actually they thought the White House was their entitlement until the DLC came along.

Now, Al Gore and I had a different idea. We thought power should not be vested in any party but in the people. We thought that we should use the power of our office and the power of Government to take a different direction for the country. We believed we could do it with a smaller Government; and it is now, as all of you know, the smallest Federal establishment since John Kennedy was President in 1962. That's the last time the Federal Government was this small. But, we have been much, much more active, trying to be a catalyst, trying to be a partner, trying to give people the tools and to create the conditions so that our people could meet their own challenges and live out their own dreams. We have been called New Democrats; our approach has been called the Third Way. But I think it is important to remember that we too do not want to get trapped in our rhetoric. We were the first to point out that labels should not define a politician or a person or a political movement; ideas do. And every time, every age in time requires a continuous infusion of new ideas. We took on the hard work of creating real solutions. We worked hard to make politics and policies and to put both in the service of progress.

Now, I think it's worked pretty well. We did everything we could to reject forced, false choices between work and family, between the economy and the environment, between being safe and being free, between recognizing what makes us interesting and individual and different as people and what we have in common. We tried to solve problems rather than score partisan points. We have done our best to restore the people's faith in our Government, but more important to

restore their faith in the limitless potential of America.

Now, I think it's worked pretty well. Along the way, we had the '94 election setback, and we had to fight a rearguard action to beat back the Contract With America. Then we worked with the Republicans to pass welfare reform and the Balanced Budget Act of 1997. And I was encouraged. Lately, I have been discouraged, obviously, because the Republican majority in Congress has taken, I think, very, very wrong actions in killing the Patients' Bill of Rights and in killing the sensible gun control measures embodied in our legislation, among other things to close the gun show loophole. So, there are still profound differences among the parties.

Cruz listed a few of these, but I would just like to say that, as you go back home and the people you represent ask you for your thoughts about what's going on in Washington, I would like to respectfully request that you at least ask them to give us the benefit of the doubt, because our friends in the other party said if we implemented our policies, it would be a disaster for America. They said it over and over and over again. They said when the deficit was \$290 billion and we passed our economic program, it would get bigger and we'd have a deep recession. Now we have the biggest surplus in our history; almost 19 million new jobs; the longest peacetime expansion in history; the highest homeownership and the lowest minority unemployment ever recorded; wages are rising; crime is at a 26-year low; the welfare rolls at a 30-year low; teen pregnancy, teen smoking, teen drug abuse are all declining; air and water are cleaner; the streets are safer; 90 percent of our kids are immunized against serious diseases for the first time; we've opened the doors to college to virtually all Americans through the HOPE scholarship that we modeled on what Georgia did; and we have had over 100,000 young people serve our country and their community through AmeriCorps, another big DLC idea. From the California redwoods and the Mojave Desert to the Florida Everglades, this administration has protected or set aside more land than any administration in history except those of Franklin and Theodore Roosevelt. We have worked for peace from Bos-

nia and Kosovo to the Middle East to Northern Ireland. We've worked to expand trade on fair and freer terms. We have worked to build partnerships with Latin America and Africa and people who often feel that they're not even in our radar screen or in our orbit. We have worked to give our children a safer world by combating terrorism and the other threats which they will face in their lifetime.

We've done this—and I appreciate the reception you gave me when I came in—but we have done this because we had the right ideas. I am grateful that I was given the opportunity, in my time, to be the instrument of implementing those ideas. If anybody is responsible for the intellectual renaissance which possesses the politics in this country, in this world, it really is Al From and all the true believers with the DLC—[inaudible].

But, you're here because we believe that you can do these jobs. You can do the jobs you have; you can be Governors; you can be Senators; you can be President. The most important thing is that we keep the ideas coming, consistent with our core values, always looking at the real facts, always looking at the long-term future. And what I am trying to get the American people to focus on now, and the Congress, is that in the remaining days of this century and this millennium, we will either explicitly or implicitly make some very large decisions that will affect our country for a long time to come.

I think that we have shown by results that our Third Way is the right way for America, for our economy, and for our society. In the weeks to come, around the budget we will have a huge debate over great national priorities. We will have to make a choice that 5 or 6 years ago you never would have believed we'd be making, which is how are we going to use the fruits of our prosperity. If somebody had told you 6 years ago, the biggest debate in Washington will be what to do with the surplus—[laughter]—you would never have believed it.

Now, I think the answer is to stick with the economic strategy that brought us to this great dance and to deal with the great challenges still before us. So I gave the Congress a budget that will do big things: that will meet the challenge of the aging of America by saving and reforming Social Security and

Medicare; that will do it in a way that will make this country debt free for the first time since 1835; that will raise educational standards and end social promotion, but provide for summer school, modern schools, and 100,000 more teachers and hooking up every classroom to the Internet by the year 2000; that will make America safer with even more community policing and more efforts to keep guns out of the hands of criminals; that will make America more livable with the Vice President's livability agenda; that will provide genuine tax relief to the people and the purposes who really need it at a price we can afford, without undermining our prosperity, including our new American markets initiative, designed to give Americans the same incentives to invest in the poor areas of America we give today to invest in the Caribbean and Latin America and Africa and Asia. I think that's a very important thing to do.

I might say, all of you would have gotten a big kick seeing Al From and Jesse Jackson walking arm in arm across America last week. [Laughter] It was good for America. It was good for the Democratic Party. It was good for the people that lived in Appalachia and the Mississippi Delta, in East St. Louis—Mayor Powell, I'm glad to see you here today. We had a wonderful time there. Thank you for coming.

She gave such a great speech when we visited East St. Louis, I told her she ought to show up for this conference. And lo and behold, she did. So I thank you for coming.

We went to Pine Ridge Indian Reservation in South Dakota. We went to south Phoenix. And I know we've got some legislators from Arizona here today, and I thank you for being here—the block over there. And we ended in L.A. These are big things. These are big, big things. And we will decide, directly or indirectly, whether to embrace them. The decisions cannot be escaped.

You all know the basic elements of my plan. I want to use the bulk of the surplus to save Social Security. I want to set aside 15 percent of it to reform Medicare and to begin with a prescription drug benefit, which would have been in any program if it were to be designed today from the start. I want to provide substantial tax relief, \$250 billion of it, targeted to help families save for retire-

ment, to deal with child care and long-term care needs, to help to deal with some of our larger challenges including modernizing our schools, adjusting to the challenge of climate change, and as I said, investing in America's new markets.

If we do it the way I have proposed, this country will be out of debt in 2015. Now, I would like to tell you very briefly why I think that is a good idea. First of all, you all know we live in a global economy. Interest rates and capital availability are set in global markets. If a wealthy country like the United States is out of debt, what does it mean? It means interest rates will be lower; it means there will be more business investment; it'll be more jobs; it'll be higher incomes. It means that for ordinary citizens, their car payments, their house payments, their credit card payments, their student loan payments will be lower. It means the next time there's a financial crisis in the world, we won't need to take money, and the needy, vulnerable countries will be able to get the money they need at lower interest rates, which means not only their people will be better off, but they will be better trading partners for us and their democracies will be more likely to weather the storms. This is a progressive idea today, and we ought to stick with it.

Now, I realize 16 months before an election the allure of "I've got a bigger tax cut than you do; come look at my tax cut"—[laughter]—I mean, that's got a lot of appeal, you know. And it doesn't take very long to explain. You can put it in a 5-second ad—"our tax cut is bigger than theirs." But I'd just like to remind the American people, number one, look at the results we have achieved in the last 6½ years by looking to the long run and doing the responsible thing.

Number two, every ordinary American citizen, and virtually every wealthy American, will be better off over the long run with lower interest rates, a more stable economy, a more growing economy, than with a short-term tax cut. I'm not against a tax cut. We've got a good one in here. But if we don't fix Medicare and Social Security, and we let the baby boom generation retire and worry about whether these systems are going to go haywire, and we impose on our children the burden of taking care of us when it is absolutely

unnecessary, undermining their ability to raise our grandchildren, we will never forgive ourselves—just because there is an election in 16 months. It's wrong.

The Vice President and I had a meeting with the Republican and the Democratic leaders of Congress Monday, and we told them that we wanted to work with them. And we have worked with them in the past, as I said, with welfare reform and the Balanced Budget Act. But we've got to stay on this new way. I think that on this issue they're still committed to their old ways.

Yesterday the Republican leadership unveiled a tax plan that I believe could wreck our economy. It would certainly wreck our fiscal discipline. Let me explain what is wrong with their plan. Their tax plan would devote just about all of the surplus that doesn't come from Social Security taxes, all the non-Social Security surplus, to a tax cut. First of all, if they did that, it would leave no money for Medicare. Every responsible analyst of Medicare says there are just so many people drawing and so few people paying in—as the baby boomers retire, that will be twice as many people over 65 in 2030 as there are today—everybody says you've got to put some more money in. So there would be no money for that.

Secondly, it would require, as our economy grows, real cuts in education, defense, the environment, research, technology, the kinds of things that we have invested more in. We have almost doubled investment in education and technology, as we have shrunk the size of the Government and gotten rid of the deficit and eliminated hundreds of programs. So it won't work.

The second big problem with it is that if you look at the next 10 years, not just the first 10 years—that is, the 10 years when the baby boomers will retire and when we ought to be paying off the debt—their tax cut will really be big, and it will put us back into debt.

So remember now, I'm not going to—I hope I will be one of the people just out there drawing my check, you know. I'll be out of here. But think about this, especially the younger people in this audience. In the second decade of the 21st century, just when the baby boomers start to retire, just when

Social Security and Medicare begin to feel the crunch, just when we could be debt-free for the first time since 1835—at that very moment—their tax cut would swallow the surplus and make it impossible to meet our basic commitments.

I have asked the Treasury to report as soon as possible to me on what their tax cut costs in the second 10 years of this decade. We should not undo our fiscal discipline. We should not imperil our prosperity. We should not undermine Medicare. We should not make big cuts in education, defense, research and technology, and the environment. I won't allow that sort of plan to become law. It wouldn't be right.

Now, again I say, we can have a tax cut. We ought to have a tax cut, but we ought to do it in the right way for the right reasons, and we ought to put first things first. We should save Social Security and Medicare, meet our responsibilities for the next century before we go off talking about the tax cut.

You know, some of this is basic arithmetic. We had years and years in the 1980's when people said there is no such thing as basic arithmetic. There is supply-side economics, or whatever. And they said supply-side economics would dictate a huge recession after our '93 economic plan passed. But the American people don't have to guess any more. We tried it their way; we tried it our way. There is evidence.

And I'm telling you, I don't care if the election is next week, never mind next year; we have worked for too long to get this country out of the hole. We are moving in the right direction, and we must not compromise the future of America and the next generation just for the next election. It would be wrong, and I want you to help us get that message out there.

The same thing is true on crime. The DLC had a lot to do with our ideas about fighting crime. And you remember what they were. We wanted 100,000 police. We used to go—our DLC trips, we'd go to these places, and we'd go look at these community policing operations that were already bringing crime down in cities in the early nineties. We wanted the Brady bill; we wanted an assault weapons ban; we wanted targeted, tougher punishment and broad prevention programs for

our young people. And the program is working.

The real choice, as the Vice President pointed out in his speech Monday, is not between stronger punishment and better prevention; the real choice is to do both. But I hope the DLC will not give up its ideas on fighting crime just because we're at a 26-year low. Because if you're one of the victims, the crime is still too high.

We could make this country the safest big country in the world if we would do the right, sensible things to do it. I thought the Vice President put some great ideas forward on Monday. And that's what this election ought to be about. Even the commentators on the other side point out that so far, he's the only person who has actually said what he would do if the people gave him the job, which I think is a reasonably good idea to do. You probably ought to tell people what you're going to do when you get the job, and then you would be more likely to do it.

And I believe one of the central reasons for the success that we have enjoyed is that we worked—Al and I and others and my folks at home in Arkansas—we worked for years to think about exactly what ought to be done. And so, if you look at what he said, that we ought to apply reforms that are working in the private sector at many levels of government to revolutionize the justice system. We ought to take the next step on licensing people who own handguns to make sure that they're trained to use the guns and that they should have them. And that would solve all these loopholes, because if you had a bad background, you couldn't get a license, you couldn't own one.

This is not going to keep anybody from being a hunter or sportsman. This is not going to undermine the fabric of life in America; it's going to make it safer. And this is a very serious issue, so I would urge you to keep up your interest not only in the economic issues, not only in the entitlement reforms but also in the question of how we can make America the safest big country in the world.

When I was running in '92, we were just trying to get the crime rate down. Everybody thought it was going to go up forever. Now we know we can bring it down. I think we

ought to commit ourselves to making America the safest big country in the world. When I was running in '92, everybody said we've just got to get the deficit down, got to try to balance the budget. Now, we can imagine making America debt-free. We can do things that are not imaginable at the moment if we will have good ideas and work on them in a disciplined way.

So I think that the other candidates ought to follow the Vice President's lead and tell us where they stand on these crime issues, and on the other issues as well. There will be clear choices here. Will we have common-sense gun laws, or Government by the gun lobby?

I'll never forget when I went to New Hampshire in 1996. Just for all you elected politicians who think you can't survive this stuff, they voted for me by one point in '92, and I was grateful, because they normally vote Republican. So my first meeting, we had a couple of hundred—largely men—in this audience in their plaid shirts, waiting more for deer season than the President's speech. [Laughter] And so I told them, I said, "You know, in '94 you beat a Democrat Congressman up here, and you did it because he voted for the Brady bill and the crime bill and the assault weapons ban. And I want you to know he did that because I asked him to. So if you have, since 1994, experienced any inconvenience whatever in your hunting season, I want you to vote against me, too, because he did it for me. But if you haven't, they lied to you, and you ought to get even." [Laughter]

In New Hampshire, our margin of victory went from one percent to 13 percent. You can do this. Tell the American people the truth about these things. Just go out and tell people the truth about these things.

I feel the same way about welfare. I had to veto two bills that the Congress passed, because I thought they were too tough on kids. They took the guarantee of nutrition and health care benefits away from children. After we put that back in, I believe the welfare reform bill was right because I thought we ought to require able-bodied people to work, and because letting the States have the money for the benefits was not a big deal since the States had radically different levels

of benefits anyway. And remember, in our welfare reform bill, we left the States with the same amount of money they had in February of 1994 when the welfare rolls were at an all-time high, even after the rolls dropped, so that they could be free to put the money back into training, to child care, to transportation, to the things people need.

We've still got work to do to make sure that work pays. With the strong support of the DLC back in '93, we doubled the earned-income tax credit; then we raised the minimum wage; we put more into child care. But I want to do some other things.

First of all, we are changing the rules so thousands of poor working families won't be denied food stamps as they are today just because they own a reliable car. We're going to change those rules, and we should be for them. We're also going to get rid of some of the old reporting rules and launch a national campaign to make sure that working people know there is no indignity in taking public assistance to help feed their children if they're out there working 40 hours a week. And finally, let me say I hope you will really give a lot of thought to the project that Al and I and others were on last week. How can we go across that bridge to the 21st century together? How can we bring the spark of enterprise and opportunity to every community? There are still a lot of people that haven't participated in this recovery, and a lot of places that we didn't visit last week. There are still a lot of small and medium-sized towns that lose just a factory, but have real trouble restructuring their economy.

We presented this new markets initiative which I said I think is very good, because it will give the same incentives to people nationwide that they only have in the empowerment zones today to invest in those markets. But we need to do more. A fertile, fertile ground for DLC endeavors is involving everyone—every single American who is willing to work—in American enterprise. We can do that.

And let me just make one last point as we segue into the next part of the program. The DLC now takes a lot of justifiable pride in the fact that the ideas we have long championed are now being debated in Berlin or London or some other world capital. But

that's not why we got into this. We got into this to prove that politics had a positive purpose in the lives of ordinary citizens. And therefore, it is far more important for us what is happening in Sacramento or in countless other legislatures and city halls across America. You are still on the frontline of the battlefield of ideas. You must lead us forward.

I have taken enormous pride in the work of Lieutenant Governors like Cruz Bustamante and Kathleen Kennedy Townsend. I have taken enormous pride in watching mayors like Kirk Wilson in Austin and Don Cunningham in Bethlehem. I see my former colleagues in the Governors' Association continuing to do remarkable things and people in other State offices. Don't forget that.

I close with these words. Robert Kennedy, who I believe was trying to do something like what we've been doing when his life and career were cut short in 1968, said, "Idealism, high aspiration, and deep conviction are not incompatible with the most practical and efficient of programs. There is no basic inconsistency between ideals and realistic possibility, no separation between the deepest desires of heart and mind and the rational application of human efforts to human problems." That is a good statement of what we believe and what you were doing.

I thank you for your hard work, and I ask you to remember—you can celebrate our achievements all you want, but the American people hire us for tomorrow.

Thank you, and God bless you.

[At this point, the conversation proceeded.]

The President. Well, first of all, I would like to thank Kirk and Don and Ember and Mike for their presentations. They pretty well made the point I was trying to make, that—and I think they're four people who could do just about any job. And I think that the jobs they are doing are changing people's lives.

I would just like to make a couple of points about what was said by each of them. First of all, if I could go back to the point I made about paying the debt down and the general condition of the economy—if we can keep

this going, pretty soon this peacetime expansion, which is the longest peacetime expansion in history—we'll have the longest expansion of any kind in our history, including wartime, pretty soon. Now, I do not for a moment believe we have repealed all the laws of economics. But I do believe that the technological revolution underway in America, and the fact that we have relatively open borders, and, therefore, have consistent competition, has kept inflation down as we've had growth.

But if you look at what they said from the perspective that I have to take every day, you know, we sit around here all the time and we argue, how much more can the American economy grow without getting inflation going up. And you remember, every time the Federal Reserve meets now, that's the big argument—people say, are they or are they not going to raise interest rates? Well, there's no evidence of inflation now, but surely we can't keep doing this on and on and on.

We've now got unemployment under 5 percent for 2 years in a row. Well, if you think about it, how could we continue to grow without inflation? And if you posit for the moment the potential of technology, there are the following ways: You can look at what Austin is doing—you have to continue to expand the base of people that make a living in the most powerful part of the economy now. Eight percent of our economy is in high-tech, 30 percent of our growth. And since it, by definition, is—the whole thing that makes it work is continuing explosive increases in productivity. So that's one thing you can do.

The second thing that you can do is to sell more of what we make around the world, which is why I've tried really hard to build a consensus among our party and to reach out to the others, by continuing to expand trade, but to do it in a way that lifts labor and environmental standards around the world, so it's a race to the top, not a race to the bottom.

The third thing you can do is to reach out to discrete population groups, and that's what Michael does. The two biggest discrete population groups in the country that are still not in the work force are the people who still haven't moved from welfare to work, al-

though we moved another million and a half last year. And they are the hardest to reach. That's why what you said about the work force act is so important. Every Governor now has been given the opportunity to work with labor commissions and others to design a training program that we hope will eventually lead to a lifetime educational training program, so that whenever anybody's changing jobs at any age, they'll always be able to get the training they need. But the two big population groups anywhere are people on welfare and disabled people who want to go to work.

One of the things that I think will come out of this Congress, there appears to be almost unanimous bipartisan agreement that we ought to let people on disability who get Medicaid health insurance keep their Medicaid when they go in the work force. Now, that's a good deal for the States, because we're going to pay their Medicaid anyway—State and Federal Government—but if they're working, they'll be paying taxes back. They'll be happier; they'll be part of it.

Seventy-some percent of the people who are disabled in this country want to go in the work force. I met—in New Hampshire, I met a guy who was an Olympic skier once who had a terrible skiing accident, was confined to a wheelchair. He had \$40,000 in medical bills a year, and that was slightly more than he was going to make on his job. We're better off if he takes a job. But on the welfare—I don't want to minimize the difficulty of this—he's got a big challenge now, because most of the easy movement from welfare to work has occurred. So if you want to move people now, you've got to really work at it.

And then, to go to what the mayor of Bethlehem said, the other thing we've got to do is to find a way to enable people who lose their economic base to create one more quickly. People like me who come from the Mississippi Delta area—I see Mr. Eastland over there—that's what happened to us. We never—we lost the economic base that once gave everybody a job, even though a lot of those people were working for substandard livings, and we—that's a part of our country that's not yet reconstructed its economic

base. That's why I think the DLC ought to be working on it.

The reason we were celebrating East St. Louis the other day is it was the first—this Walgreens store is going to anchor this big development down there—it's the first development they've had in decades. Not years, decades. We cannot afford, in an economy that's moving literally at the speed of light, to wait decades to figure out how to bring enterprise to places that have been left behind. We have to figure out how to do that better. And what you're doing will work, but it needs to be done everywhere.

The last point I'd like to make is that, going to what Ember said, when I became President, there was one charter school in the whole country—one—in Minnesota. Minnesota was also the first State in the country to have statewide school choice before the charter schools; Arkansas was the second—I stole the idea from Minnesota. So I said, well, let's have 1,000 charter schools. Then I asked the Congress to give me enough money to help people set up 3,000 charter schools for this next year. We're going to be at 1,500 this fall. I think next year will be actually quite close to 3,000 nationwide, which is enough to have a profound impact.

But we won't really have a successful system until the things that make the charter schools work can be found in the other schools. And the voucher movement will never go away if people feel that they're trapped in failure. I've worked for school choice, I've worked for the charter schools, I believe in accountability. Actually, there is no evidence—and there is quite a bit of evidence out there now on how well kids do who opt out and go to private schools—there is no evidence that they're doing better. But if people feel their schools are unsafe or they're inadequate, the voucher movement will be out there, and it will be a difficult political issue for Democrats, for Republicans, for people who love public education.

We have got to prove that—the one thing that we have never done—and I've worked for 20 years on this deal now, more than 20 years now—we have not succeeded as a country in taking what works in public education in one place or two places or 10 places, modifying it for local conditions, yes, but im-

plementing it somewhere else. And so you have to assume that parents and others who would go to the trouble to set up the charter schools wouldn't go to all the trouble unless they were committed to learning, unless they were really committed to what works.

But if I could have waved a magic wand as Governor when I was Governor and solved any problem in my State, it would have been that. I had poor little rural schools, I had some schools in poor urban areas that were doing stunningly well. But I never could either set up the systems or set up the incentives or convince people that everybody else ought to run through what they were doing and do it. Because this is not rocket science. This is not the same as walking on Mars within 5 years. In some ways, it's more difficult because it deals with the human psyche and all these human difficulties, but people can understand what works.

And I just think that the work you've done in Minnesota and what you're pushing now, this whole concept of charter districts—I never even thought about it before you said it today—but that's the sort of thing we need to be doing. We will never bring everybody into the big tent of our prosperity until we have not only the best higher education system in the world, but the best elementary and secondary education system in the world.

And you've got to give this lady and her colleagues in Minnesota an enormous amount of credit for what they have done now for more than a decade to make us think about this. But if I could say to all of you at the grassroots level, if you can figure out a way to make economic change faster, to bring opportunity to where it doesn't exist, and to bring more uniformity of excellence in public education—if we could do those things, if that could be a huge part of the DLC's crusade for the next decade, I wouldn't be a bit worried about America's future.

Thank you very much.

NOTE: The President spoke at 3 p.m. in the Baltimore Convention Center. In his remarks, he referred to Al From, president, Democratic Leadership Council; Lt. Gov. Cruz Bustamante of California, who introduced the President; Gov. Parris N. Glendening and Lt. Gov. Kathleen Kennedy

Townsend of Maryland; Gov. Roy Barnes of Georgia; Gov. Mel Carnahan of Missouri; Gov. Thomas R. Carper of Delaware; Gov. Tom Vilsack of Iowa; Mayor Kurt Schmoke of Baltimore; Maryland State Senate President Thomas V. (Mike) Miller, Jr., and House Speaker Casper R. Taylor, Jr.; civil rights leader Jesse Jackson; Mayor Debra Powell of East St. Louis, IL; Mayor Kirk Watson of Austin, TX; Mayor Donald T. Cunningham, Jr., of Bethlehem, PA; Minnesota State Senator Ember Reichgott Junge; Georgia State Labor Commissioner Michael L. Thurmond; and Hiram Eastland, founding member, Mississippi Democratic Leadership Council.

Statement on the Proposed “African Growth and Opportunity Act”

July 14, 1999

This week Congress has a chance to pass a bill that can transform our relationship with an entire continent for the better. The “African Growth and Opportunity Act” promises a new partnership with Africa based on mutual respect and mutual responsibility.

Last week African nations signed two significant documents—a cease-fire in Congo and a peace agreement ending the war in Sierra Leone. With these agreements, and with democratic government in Nigeria and a new leadership in South Africa, we have an historic opportunity. The United States must do everything we can right now to support the efforts Africans are making to build democracy and respect for human rights, advance peace, and lay the foundation for prosperity and growth.

This bill supports education and job creation so that all of Africa’s children can grow up educated and productive. It supports better health care and the flow of ideas and technology that will help Africa’s doctors save more lives.

This bill has strong bipartisan support in Congress, nearly unanimous support from the nations of Africa, and brings together a broad group of concerned citizens on both continents—from Jack Kemp and Andrew Young to the African Association of Women Entrepreneurs. It represents an effort to build a partnership with African nations that involves listening and working with them. It serves America’s national interests in creating new markets for American goods and serv-

ices; in building strong, reliable, and democratic partners overseas; and in creating a more prosperous and stable world. I urge Congress to seize this opportunity by passing the “African Growth and Opportunity Act.”

Statement on the Deutch-Specter Commission Report

July 14, 1999

I welcome the report of the Commission To Assess the Organization of the Federal Government To Combat the Proliferation of Weapons of Mass Destruction (the Deutch-Specter Commission).

The Chairman, John Deutch, the Vice Chairman, Senator Specter, and other commissioners have provided a comprehensive study of how we should organize the U.S. Government to deal with the threat of proliferation, which poses one of the most serious challenges to national and international security that we face.

The Commission’s report contains a number of interesting recommendations and observations that deserve serious consideration. I have asked my National Security Adviser, Samuel Berger, to coordinate an interagency review and assessment of the Commission’s recommendations and report back to me within 60 days with advice on specific steps.

Executive Order 13130—National Infrastructure Assurance Council

July 14, 1999

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App.), and in order to support a coordinated effort by both government and private sector entities to address threats to our Nation’s critical infrastructure, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the National Infrastructure Assurance Council (NIAC). The NIAC shall be composed of not more than 30 members appointed by the President. The members of the NIAC shall be selected from the private

sector, including private sector entities representing the critical infrastructures identified in Executive Order 13010, and from State and local government. The members of the NIAC shall have expertise relevant to the functions of the NIAC and shall not be full-time officials or employees of the executive branch of the Federal Government.

(b) The President shall designate a Chairperson and Vice-Chairperson from among the members of the NIAC.

(c) The National Coordinator for Security, Infrastructure Protection and Counter-Terrorism at the National Security Council (National Coordinator) will serve as the Executive Director of the NIAC.

(d) The Senior Director for Critical Infrastructure Protection at the National Security Council will serve as the NIAC's liaison to other agencies.

(e) Individuals appointed by the President will serve for a period of 2 years. Service shall be limited to no more than 3 consecutive terms.

Section 2. Functions. (a) The NIAC will meet periodically to:

(1) enhance the partnership of the public and private sectors in protecting our critical infrastructure and provide reports on this issue to the President as appropriate;

(2) propose and develop ways to encourage private industry to perform periodic risk assessments of critical processes, including information and telecommunications systems; and

(3) monitor the development of Private Sector Information Sharing and Analysis Centers (PSISACs) and provide recommendations to the National Coordinator and the National Economic Council on how these organizations can best foster improved cooperation among the PSISACs, the National Infrastructure Protection Center (NIPC), and other Federal Government entities.

(b) the NIAC will report to the President through the Assistant to the President for National Security Affairs, who shall assure appropriate coordination with the Assistant to the President for Economic Policy.

(c) The NIAC will advise the lead agencies with critical infrastructure responsibilities, sector coordinators, the NIPC, the PSISACs

and the National Coordinator on the subjects of the NIAC's function in whatever manner the Chair of the NIAC, the National Coordinator, and the head of the affected entity deem appropriate.

(d) Senior Federal Government officials will participate in the meetings of the NIAC as appropriate.

(e) The Department of Commerce shall perform the functions of the President under the Federal Advisory Committee Act for the NIAC, except that of reporting to the Congress, in accordance with the guidelines and procedures established by the Administrator of General Services.

Section 3. Administration. To the extent permitted by law:

(a) The NIAC may hold open and closed hearings, conduct inquiries, and establish subcommittees as necessary.

(b) All executive departments and agencies shall cooperate with the NIAC and provide such assistance, information, and advice to the NIAC as it may request, as appropriate.

(c) Members of the NIAC shall serve without compensation for their work on the NIAC. While engaged in the work of the Council, members will be allowed travel expenses, including per diem in lieu of subsistence as authorized by law for persons serving intermittently in the Government service.

(d) To the extent permitted by law, and subject to the availability of appropriations, the Department of Commerce, through the Critical Infrastructure Assurance Office, shall provide the NIAC with administrative services, staff, and other support services, and such funds as may be necessary for the performance of its functions.

(e) The Council shall terminate 2 years from the date of this order, unless extended by the President prior to that date.

Section 4. Judicial Review. This order is not intended to create any right, benefit, trust, or responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

William J. Clinton

The White House,
July 14, 1999.

[Filed with the Office of the Federal Register, 8:45 a.m., July 16, 1999]

NOTE: This Executive order was published in the *Federal Register* on July 19.

Remarks to the College Democrats of America

July 14, 1999

Thank you. I ought to quit while I'm ahead. [Laughter] Harold, you ought to be giving that speech for yourself some day. That was pretty great. I was definitely impressed. Thank you.

Thank you for your wonderful welcome. I want to thank all the College Democrat officers: your national chair, Reta Lewis, who used to be in the White House with me; Vice President Brendan Tully; Executive Director Jeff Schulman; National Field Director Lisa Kohnke; and all the people who helped to organize this, your largest meeting ever.

Let me say a special word of welcome or greetings on behalf of the Vice President. Eleven years ago he almost single-handedly brought the College Democrats of America back. And I'm glad you came back. We have needed you.

My administration has been, in large measure, about giving the young people of America a better America in the 21st century, an America where there is opportunity for every responsible citizen and where we are coming together as a community across all the lines that divide us.

When I ran for President in 1992, I was infuriated that I had seen election after election after election, and then Washington in between, use rhetoric to divide us and to create a majority based on not being "them." I didn't think it was good for America then; I don't think it's good for America today. I have done everything I could do to get all of us to see that what we have in common is much more important than what divides us.

I must say that the young people of America, who increasingly live more and more together with those who are at least superficially different from themselves, are going to have to lead America to that future. The work that you have done, the registration ef-

forts that you have done—in 1996, under the leadership of your former executive director, Susan Blad Seldin, CDA helped to register over a million young people—that is very, very important.

I want to say something serious tonight. This is—we've got a very festive atmosphere, and I know the fire marshal is concerned about how many people we've crammed in this room—[laughter]—but I want to say something really serious to you. I'm not running for anything anymore. I'm not on the ballot in 2000. I'm telling you this because I'm still concerned about tomorrow. Ideas make a difference in politics.

I was, earlier today, at the Democratic Leadership Council's meeting. Many of the ideas that we've been working on there for 14 years are now the focus of debate not only in the United States but in other countries around the world, where new parties—sort of like where the Democrats have been in the last 6½ years—have won elections in England, in France, in Germany, and Brazil and The Netherlands and many other countries, with the kind of debates that we have tried to provoke about how do you create opportunity for everyone; how do you really promote greater responsibility among citizens; how do you build a community in an increasingly diverse society; what are our responsibilities to the rest of the world? Those kinds of debates are going on all over the world today, based on ideas. Ideas have consequences.

I know that images have a lot to do, rhetoric has a lot to do with elections. But what I want you to understand is that we must stay the course that is the course of new ideas rooted in these basic values that have produced such good results for America. It is not an accident—I used to say, coin that old—quote that old country saying in the '96 election, when you find a turtle on a fencepost, the chances are it didn't get there by accident. [Laughter] Ideas have consequences.

All these things that your president just recited about the strength of the economy—and I might say, we now have almost 19 million new jobs—almost 19 million. And we have the lowest minority unemployment rates ever recorded since we started taking

statistics. And we have, as has been pointed out, cleaner air, cleaner water, safer food. We've also set aside more land—from the redwoods in California and the Mojave Desert there to the Florida Everglades—we've set aside or protected more land than any previous administration except those of the two Roosevelts. This administration has thought about tomorrow. Ninety percent of our 2-year-olds are immunized against serious childhood illnesses for the first time in history, because we're thinking about tomorrow.

Ideas matter. And in the last year and a half of this administration, in the last 6 months and the first year of the new millennium, we will have a debate about ideas which will not only shape the 2000 election, but decisions will be made or not made which will profoundly affect your future and the future of every young person in this country.

This week and in the weeks to come, we're going to have a huge debate centered around what we should do about the surplus. Now, most of you are so young that you can't realize that if anyone had had this discussion 10 years ago, that would have been an absurd discussion. [Laughter] In the 12 years before I became President, the national debt was quadrupled. The year I took office, the deficit was \$290 billion, projected to go to about \$400 billion this year. This is a high-class debate in that sense—what to do about the surplus. Don't stop thinking about tomorrow—that's what to do about the surplus. I believe we should use this moment to meet the great challenges of your generation, the great challenges of the 21st century.

What are they? Number one, the aging of America. That affects not just the baby boom generation—that's most of your parents—but you. If we reform and strengthen and secure Social Security and Medicare, it means not only that your parents will have a secure retirement; it means they won't have to depend upon you and the income you will need to raise your children when they're your age. This is a compact for all Americans. So yes, I believe we should use the bulk of the surplus to save Social Security and to save Medicare and to reform it.

I believe we should continue to invest in education, in the environment, in research and development, and to keep our military the world's strongest so that we can do what we did in Kosovo, to save lives against ethnic slaughter. I think that is important.

I believe we can do these things and still have a tax cut, a tax cut that will help people to save for their own retirement, to pay for child care, to pay for long-term care for their parents, that will help us to build modern schools, and that will help us to do something else—that will help to give Americans the same incentives to invest in the poorest parts of America they now have to invest in the poorest parts of the world. That's what I tried to do last week in traveling around the country.

And the nice thing about it is that if we do with the surplus what I propose, we can spend more money on education and the military and other things; we can have a tax cut that is substantial; but if we will save the bulk of it to extend the life and the security and the quality of Social Security and Medicare, we will also have this country out of debt for the first time since 1835, in 15 years.

Why should you care about that? Because in a global economy, where the financial markets move money across national borders at the speed of light, where interest rates are set by what's going on everywhere, if America, the world's wealthiest country is out of debt, it means lower interest rates; higher business investment; more jobs; higher incomes; lower costs for home mortgages, student loans, car payments, credit card payments; more money at lower cost for other countries that need the money badly to develop, to become our partners for trade and prosperity and for democracy and freedom. It is a better thing for the world. So I say to you, it matters.

Now, I had a good meeting Monday with the leaders of Congress in both parties, and we may have some agreement on at least saving the Social Security taxes for Social Security. But they may not do it in a way that actually lengthens the life of the Social Security Trust Fund. Nonetheless, it's a good start.

But unfortunately, the Republicans have now unveiled their tax plan. What they want

to do is to use almost all the non-Social Security surplus on a tax cut and to go to the people and say, "Our tax cut is bigger than theirs." And that sounds good. But what they don't say is if theirs passes, it means you can't really strengthen Social Security; it means no new money for Medicare, which will imperil it; it means big cuts in education, the environment, research and development and, yes, their defense budget cannot be funded. That's what it means. And it means, in the second decade of the tax cut, we'll actually start having deficits again, at the very time when the baby boomers retire and we ought to be paying down the debt until we don't have one any more.

Now, these are big ideas. And young people in college should care about them because it will affect your life much more than mine. This is about tomorrow. So if somebody asks you tomorrow, "Why did you go to the College Democrats convention?" don't say it was because the President gave a good speech. [Laughter] Say, "It's because I believe that our ideas are good for America, good for all Americans; and I have evidence." We have 6½ years of evidence—not just a strong economy but the lowest crime rate in 26 years, the lowest welfare rolls in 30 years, declining social problems.

I believe it matters. And I believe we ought to use this moment of promise with this surplus to save Social Security, save and modernize Medicare, give the seniors the prescription drugs benefits and more preventive screenings so they stay healthy in the first place, invest in education, invest in the environment, bring opportunities to the poorest parts of America, and still pay for a tax cut we can afford while meeting our responsibilities to tomorrow.

If they ask you why you're a Democrat, say because you think we ought not to let criminals buy guns just because they go to gun shows. If they ask you why you're a Democrat, if they ask you why you belong to this party and this organization, tell them it's because you're for a Patients' Bill of Rights that lets doctors, not accountants, decide the medical needs of people.

If they ask you why you came to this convention, tell them you're for hate crimes legislation that protects people without regard

to whether they're gay or straight, black or white or Hispanic or Asian. And you tell them, tell them it's because you kind of like the idea of giving Federal money to help our schools in a way that hires 100,000 teachers, modernizes schools, ends social promotion, but gives kids a chance to go to summer school and after-school programs to guarantee all of our children learn.

And you have to keep looking for new ideas. On Monday the Vice President talked about his crime plans, and he said that he thought we ought to have, yes, stiffer punishment where it was merited, but more prevention where it would work, and that he thought we ought not to quit now in trying to keep guns out of the hands of criminals. He said we license people to drive cars, and they have photo licenses. If you don't want to close the gun show loophole because you think it's too burdensome, we could do it if everybody had a photo ID to go with their handgun license and they had to show that they knew how to use a gun.

If they ask you why you're a Democrat, tell them because you like the fact that we have cleaner air, cleaner water, safer food; you don't like all these proposed legislative riders from the other party to weaken the quality of the environment, and you like the Vice President's livability agenda. Why shouldn't we set aside more green space in all of our cities? Why shouldn't city kids be able to enjoy nature, just like people like me that grew up in rural areas?

Now, I'll tell you why it's important. Because for every one of you here cheering, there are 10,000 others that aren't here—maybe more. In 1998 only one out of five young people between the ages of 18 and 24 voted. I realize sometimes it's a hassle. You register where you're in school or where you live. And you have to study for an exam or you're just preoccupied with something that seems much more important in the immediate future. But I'm telling you, ideas matter.

Young people understood when they stood with me and Al Gore in 1992 that we had to turn this country around, and their future was at stake. It is no less at stake now just because things are going well. And the longer you live, the more you come to appreciate—

or endure when they're not so good—the rhythms of life, the ups and downs, the twists and turns in the road, the unpredictability; and the more you come to understand how precious moments like this are, when things seem to be going well, and how profoundly important it is not to just reach out and grab the biggest apple on the tree that looks so good but to keep thinking about tomorrow.

So what we do with the surplus will affect how you raise your children, as well as how your parents fare in retirement. It will affect the quality of the air your children breathe. It will affect the texture of the society in which you live and whether we are really coming together in a way that celebrates our diversity and makes life more interesting, but still binds us tighter and tighter together as a national family. It will affect all of that.

So when you leave here, make yourself a promise. This summer when you go home to your friends, next year when you go back to school, talk to people about the ideas. Oh yes, the people are important, and I'm glad I had the chance to serve at this time, but the ideas and the values behind them are far more important. And you, you can carry them into the 21st century and guarantee that America's best days are in your future.

Thank you, and God bless you.

NOTE: The President spoke at 7:38 p.m. in the Grand Ballroom at the Washington Court Hotel. In his remarks, he referred to Harold D. Powell, national president, College Democrats of America.

Remarks Following a Meeting With Members of S.A.F.E. Colorado and an Exchange With Reporters

July 15, 1999

The President. Good afternoon. I want to welcome the groups of young people from Colorado S.A.F.E. here to the White House, as well as those who brought them here from Colorado, the co-leaders, David Winkler and Ben Gelt. David will speak in a moment. And I want to say again how grateful I am that these young people have come. Secretary Summers and Attorney General Reno and I have just had a remarkable session.

It has now been 3 months since the horrible day in Littleton, since the crack of gunfire and the cries and the funerals. And now

as the shock and grief subside, as the cameras and satellite trucks move on to different events, it might be easy to forget and to have the Nation weaken its resolve to keep our children safe from gun violence. But America must not forget that event or those which occurred in schools last year or the fact that 13 of our children die every single day from gun violence.

These young people represent millions of Americans who have come together at the grassroots to take action. They have come to Washington to hold our feet to the fire and to make their voices heard. And I thank them for coming.

I have just had, as I said, a fascinating question-and-answer session with these young people. They have asked good questions, and they have given good suggestions. And they are plainly impatient with the lack of action on the important legislation before Congress.

This afternoon they will carry that same message to Capitol Hill. I hope the Congress will listen very, very carefully to them. For the past 3 months, the gun lobby has been calling the shots on Capitol Hill; now it's time for Congress to listen to the lobbyists who truly matter—our children, the people who will be most affected by what is or is not done by the Congress.

This is not a partisan issue out there in America, indeed, not a partisan issue anywhere but Washington. Americans of all ages, all backgrounds, all political philosophies support strong legislation to close dangerous loopholes in our gun laws. The vast majority of Americans believe passionately that no criminal who has failed a Brady background check and been refused a gun by an honest dealer should be able to turn around and buy a gun at a gun show. Florida, hardly one of our most liberal States, voted 72 percent in a referendum last November to do just that.

We believe that every handgun should be made childproof with a safety lock. We know that high-capacity ammunition gun clips are designed for war, not hunting, and they have no place in the American market. We believe any juvenile convicted of a violent crime should be banned, as an adult would, from owning a handgun.

But 3 months after Columbine, Congress has yet to send me a bill to make these commonsense gun reforms the law of the land. The Senate has passed them, and though they died in the House we still—we still—have an opportunity to make them the law this year. I ask, as the young people ask here today: Don't forget Littleton; don't allow the victims at Columbine to have died in vain; don't forget the 13 children who die every day from gun violence. Many, many, many of them can be saved.

We must not lose the urgency of our mission. It is not too late. How many more children must become victims of an illegal or poorly secured weapon? How many more parents must be robbed of the opportunity to see their children grow up into the fine young people we see standing behind me today?

I ask Congress to end this delay and to send me a strong bill like the one passed by the Senate. I ask Congress to reaffirm these young people's faith in America, in our system of democracy. I ask Congress to listen to the young lobbyists who will be on Capitol Hill today; send them home with the knowledge that Washington can hear their voices, too, that men and women who serve in democracy's house, the U.S. Capitol, truly serve the American people.

There are less than 2 months now before the start of a new school year. Let's show all our children that when it comes to making their classrooms and communities safe from gun violence, America did not take a summer vacation. Let's show them that politics can stop at the schoolhouse door, that this summer can be a season of progress and a season of safety.

I again say, I wish every American could have seen and heard these young people as the Attorney General, the Secretary of the Treasury, and I have just done. I was impressed, amazed, and heartened. I ask the Members of Congress to open their eyes, their hearts, their minds to what they have to say.

Now I'd like to introduce one of the people who is most responsible for all these fine young people being here today, the co-leader of this S.A.F.E. trip, David Winkler.

David.

[At this point, David Winkler, co-leader of 'S.A.F.E. Trip,' the Washington, DC, visit of members of Sane Alternatives to Firearms Epidemic (S.A.F.E. Colorado), made brief remarks.]

The President. Great job. That was terrific. Thank you.

Mr. Winkler. I want to thank all the students for coming on this trip, and all of our chaperons for making it possible. Thanks, guys. You all deserve a big hand. [Applause]

The President. I think if you all stayed a couple of weeks we would do very well. This is great. Thank you.

Yes.

Middle East and Northern Ireland Peace Processes

Q. Mr. President, a little bit later on today you will be meeting with Prime Minister Barak, who has asked you to take a step back from the peace process—[inaudible]—I'm wondering, first of all, if you are considering—do you think the time is right for him to do that? Conversely, do you think the time is right for you to get back into, directly, the Northern Ireland peace process?

The President. Well, let me say, first of all, on all these other questions unrelated to this subject, as all of you know, I'm going to be making a public statement with Prime Minister Barak later, and I will be happy to answer questions then. I'm not sure that the way you've characterized it is exactly what his request to me is going to be, so I think I ought to wait until we are out there together.

On Northern Ireland, let me say that this is a difficult day for those of us who have worked for years and who have worked over the last several weeks. It is a particularly difficult day for Prime Minister Blair and Prime Minister Ahern, who have performed heroic service. And it is hard for most Americans, I'm sure, and most people throughout the world to understand how a peace process could be stalled when both sides agree on every element of the peace process and both sides agree on exactly what they both have to do between now and next May. And the idea that this whole thing could fall apart

over an argument, over who goes first, sounds more reminiscent of something that might happen to these young people in their school careers, 6 or 7 years earlier in their lives.

I mean, that's basically what's going on here, and you all need to understand it. There is no difference of opinion here about what the Good Friday accords require, what the communities of Ireland and Northern Ireland have voted for, what they are all committed to do. They are having a fight over who goes first, and acting today as if the whole thing could be abandoned over that.

That cannot be allowed to happen. I do not believe it will be allowed to happen. I believe there is too much invested in this. And I believe sooner rather than later we'll get this thing back on track.

But I've done what I could, along with the people in the communities and the British and the Irish Prime Ministers—they have been wonderful. I don't know what else they could have done. I don't know what else I could have done. But I just don't believe, as far as we've come, that this thing is going to come apart. This is not a good day for us, but I do not believe that it's going to come apart, and we'll keep working on it.

And I'll answer the other questions later.

Gun Control Legislation

Q. On gun control, will you veto legislation from Capitol Hill on juvenile justice if it does not contain a gun control provision?

The President. Well, I want to talk to the Attorney General about what else is in the bill, and I'd like to get her advice on that before I make a final decision. But I'll tell you what I will do: I will veto any legislation that appears to be gun control legislation that actually weakens the law. I mean, one of the things they were trying to do up there before was to actually go back and weaken the pawnshop part of the law and say that if a criminal puts a gun in a pawnshop and goes to jail, when they come back there shouldn't be a background check if you're coming back to get your own gun at a pawnshop. That's been the law for years and years, and they're even trying to weaken that law.

So I will not, in any way, shape, or form, countenance a weakening of the law. I will

do whatever I think—I'll tell you the answer to that—I will do whatever I am convinced is best to increase the chances that we can pass responsible legislation to protect our children from guns, to keep guns out of the hands of people who should not have them. That's what I will do.

But in terms of the details, I think the Attorney General will have to give me a briefing on it before I can make a final decision.

Thank you, and I'll see you in a couple of hours. Thank you.

Patients' Bill of Rights

Q. Patients' Bill of Rights?

The President. It's still a good bill. I'm bewildered by that, actually. I mean, I don't see how the majority is going to explain—we had 100 percent of our caucus and a couple from theirs, and I listened to the debate, and it still doesn't make any sense to me. All they can say is—either they can say, "We just don't want doctors to be able to refer their patients to specialists, or people to be able to stop at the first emergency room, or women to be able to keep their gynecologist throughout a pregnancy, or people with cancer to be able to keep their oncologist throughout a chemotherapy treatment," or they have to say what the health insurers are saying, which is, "Oh, this is going to really raise premiums."

The problem with their argument and all these millions of dollars they're spending on their advertising is that the Congressional Budget Office, which as you know—all of you know this now—for more than 4 years the Republican majority has held up as the sole authority on anything having to do with money in Washington, DC—they have held it up as an icon, and the Congressional Budget Office tells them that, at most, this could raise premiums \$2 a month.

Now, so the health insurers have paid advertisement that says something different from their own Congressional Budget Office, and so now, they're only too happy to abandon the Congressional Budget Office that they waved in front of us like a sacred body for 4½ years.

So I don't know what's going on there. I know one thing—again, that's just like gun violence—you go out into this country and you will find 70 percent of Republicans, Democrats, and independents who believe in the provisions of the Patients' Bill of Rights. And you tell them that Congress says it will cost 2 bucks a month, the Federal Government experience is it costs less than one dollar a month, and the numbers will stay solid.

So there's something else going on here. And all I can say is I'm going to keep working for a good one. And I just—this is—this one is truly beyond me. I figure when the Congressional Budget Office came up after they had nourished it as the end-all and be-all of financial wisdom for 5 years, or nearly 5 years, that we would be home free and we could pass this in a bipartisan fashion. And the health insurers won't let them do it—that's really what's going on. They won't let them do it. And I think it's a sad day for health care in America. But we're not done yet, and this won't die.

Thank you.

2000 Election

Q. Are you being overly protective of Mr. Gore's campaign, sir? You've agreed to raise funds for him, and you took a shot at Mr. Bush yesterday. How do you respond?

The President. That's—I have nothing to say about that. Everything I said yesterday was in complete good spirits, and everyone that was there knew that we were all having a very good time—that we were all having a good time. And I think we ought to lighten up here on the politics and focus on the work.

You know, we're going to have an election in November and then you'll have somebody else to chew on after 2001. But between now and then, everyone who is in Congress and everyone who is in the executive branch is drawing a paycheck every 2 weeks—from them and their parents. They're paying us to go to work. And what we need to do is to be less obsessed with the politics and more obsessed with substance and deal with these issues.

And what I was trying to do yesterday was basically cut the atmosphere a little bit, give us something to laugh about—which they did—and then talk for a good period of time, probably more than a half hour, about the issues that are before us. I want us to focus

on the work to be done. There's plenty of time later to worry about that. All of us that are drawing a check ought to be doing the people's business now.

Thank you.

NOTE: The President spoke at 12:25 p.m. on the South Lawn at the White House. In his remarks, he referred to Prime Minister Ehud Barak of Israel; Prime Minister Tony Blair of the United Kingdom; and Prime Minister Bertie Ahern of Ireland.

Remarks Prior to Discussions With Prime Minister Ehud Barak of Israel and an Exchange With Reporters

July 15, 1999

President Clinton. Good afternoon, ladies and gentlemen. I am delighted to welcome Prime Minister Barak to Washington. As all of you know, he is the most decorated soldier in Israel's history. And as a soldier, as Army Chief of Staff, Interior Minister, and Foreign Minister, he has made immeasurable contributions to his nation's security and its emergence as a modern, thriving democratic society, time and again taking on tough tasks and getting them done right.

Now, as Prime Minister he has put Middle East peace at the top of his agenda, telling his fellow citizens that Israel's triumph, and I quote, "will not be complete until true peace, trust, and cooperation reign between Israel and its neighbors."

Mr. Prime Minister, if your mentor, Yitzhak Rabin, were here today, I believe he would be very gratified, seeing the leadership of his cherished nation in your most capable hands.

For more than half a century, the United States has stood proudly with Israel and for the security of its people and its nation. Now, Mr. Prime Minister, as Israel again walks bravely down the path of peace, America will walk with you, ready to help in any way we can.

As we have seen before here at this house, as Israelis, Palestinians, Egyptians, and Jordanians have come together, what at first seems unlikely, even impossible, can actually become reality when the will for peace is strong. America will help as you move forward, as you put implementation of the Wye

River agreement back on course, as you work for a final status agreement, as you seek to widen the circle of peace to include Syria and Lebanon and to revitalize talks among Israel and the Arab world to solve regional problems and build a prosperous common future. I look forward to our meeting and to strengthening the bonds between Israel and the United States.

First, Mr. Prime Minister, again, welcome. The podium is yours.

Prime Minister Barak. Mr. President, ladies and gentlemen, I came here as a messenger of the people of Israel who have called for change and renewal, and I am determined to bring about change and renewal. I and the people of Israel attach great importance to the relations with the United States, its friendship and support and its invaluable contribution to the peace process. The United States has always been true and tried friend of Israel, and President Clinton personally has played an important role in changing the Middle East landscape.

I came to Washington following a series of talks with a number of Middle East leaders. I assured them that we would work as partners with mutual trust in order to overcome all the challenges and complications that are still awaiting us down the street.

We agreed that we need to abide by the previous agreements signed by all parties, including the Wye accords. It is our intention to inject new momentum into the peace process and to put it back on all tracks. For this, we need American leadership and support all along the way.

Mr. President, we are on the threshold of the 21st century and the third millennium. Mothers, fathers, and children all across the Middle East yearn for the dawn of a new era. They expect us to provide them with a better and safer future. We cannot let their hopes down. Together, as partners in the search for peace, we can help transform the Middle East from an area of confrontation and enmity to a region of peace, security, and prosperity.

I look forward to all my meetings here, and I hope that this visit will usher in a new era in the peace process and further deepen American-Israeli relations.

Thank you very much.

Q. Mr. Prime Minister——

Q. Mr. President——

President Clinton. Let me tell you—here's what we'll do. We'll take a couple of questions from the Americans and a couple of questions from the Israelis, but we'll start with a question from the American press.

Sam [Sam Donaldson, ABC News].

U.S. Role in Middle East Peace Process

Q. Mr. Prime Minister, when you say as you did the other day, words to the effect that the United States perhaps should step back somewhat and let the parties do more of the work, what do you mean by that?

And, Mr. President, how would that change U.S. involvement in the process?

Prime Minister Barak. I think that the United States can contribute to the process more as facilitator than as a kind of policeman, judge, and arbitrator at the same time. This was the tradition when Yitzhak Rabin was leading the peace process, and I deeply believe that this is the right way to have the best kind of inference and the best kind of contribution that the United States can bring into the peace process.

It is clear to all of us that without United States participation, contribution, and without the leadership that had been shown in the past by the President—and I hope will be shown in the future by the American administration—we won't be able to reach a peace. And I'm confident that we'll find these resources and move forward towards peace that all our peoples are awaiting.

President Clinton. I agree with what the Prime Minister said. I thought that the peace process worked best when we were essentially facilitating direct contacts between the parties and helping to make sure that there was a clear understanding, helping to make sure that we were there to do whatever we could do to, now and in the future, to make sure that it would work.

We took a more active role, in effect, as a mediator when the bonds of trust and the lines of communication had become so frayed that we were in danger of losing the peace process. And I did not want that to happen, and I didn't think either side wanted that to happen. So we did what was necessary to keep it going. But, obviously, if there is

a genuine priority put on this—there's a sense of trust and mutual communication on both sides—the people in the region have to live with the consequences of the agreements they make; it is far better for them to take as large a role as possible in making those agreements. And so, to that extent, I agree with the Prime Minister.

Do you want to call on an Israeli journalist? Is there anyone—

Visit of Prime Minister Barak

Q. Mr. President, when you say that you are waiting for Mr. Barak as a kid that's waiting for a new toy, you don't think that by this remark you're making some kind of patronizing on Mr. Barak, that you want to play with him? What kind of game do you want to play with Mr. Barak?

President Clinton. No, I don't think it's patronizing at all; it's just the reverse. What I'm saying is that the United States is a sponsor of the peace process. We have done what we could consistently for more than 20 years now through all kinds of administrations to try to advance the peace process. I have probably spent more time on it than anyone has, and certainly I've spent a lot of time on it.

But my view is that we should not be in a patronizing role, we should be in a supportive role. We should do what is necessary to keep the peace process going. But you heard what the Prime Minister said. He said that the United States' role was essential, it was best if it worked as a facilitator. He has already gone to see all the leaders of the region with whom he must work, or many of the leaders of the region with whom he must work, which I thought was the right thing to do in the right order. So I was supporting the position that he took.

Prime Minister Barak. Wolf Blitzer [Cable News Network], you are half American, half Israeli, so you get priority. [*Laughter*]

Q. Thank you, Mr. Prime Minister. I think what the previous reporter, Shimon Shiffer, was asking the President—I don't think the President necessarily understood the question. Your comment at the Democratic fundraiser in Florida the other day, when you said you were as excited as a young kid with a

new toy about the meetings that you're going to have with the new Prime Minister, which today have caused some consternation, headlines in Israel—that you were referring to the Prime Minister as a new toy.

President Clinton. No, no—I see, yes—

Prime Minister Barak. May I tell you Wolf, that I feel like someone who got the mission of diffusing a time bomb, and I believe that we are all under urgent need to deal very seriously not with a tricky interpretation of an innocent favorable statement but by looking into the real problems and focus on solving them.

President Clinton. Yes, let me say, though—I didn't understand, you're right. Thank you, Wolf. That is—in English, what that means is that you are very excited. It has no reference to the Prime Minister. For example—[*laughter*—I would never do that. For example, if I—no, no, if I were taking a trip to Hawaii, I might say, I'm as excited as a kid with a new toy—doesn't mean I think Hawaii's a toy, if you see what I mean. It means that—it's a slogan, you know. In American English, it means I am very excited about the prospect of the rejuvenation of the peace process. And that's all it means. I would never say such a patronizing thing, ever.

So I thank you; thank you, Wolf. This is a historic moment. Blitzer helps me make peace with the press and the people of Israel. That's wonderful. [*Laughter*] Yes, now you get a real question.

Middle East Peace Process

Q. Mr. President, the Prime Minister has suggested that he's going to have to use up a lot of his domestic political capital in Israel in order to fully implement the Wye agreement. Would it be wise to go right away to the final status issues and let them save some of that political capital for the tough decisions Israel is going to have to make down the road? Would you be willing to go along with deferring some of the agreements that were achieved at Wye?

President Clinton. First of all, I'm not quite sure that's what he said, but I think that those kinds of questions ought—may be

properly to be asked of us after we have a chance to have our meeting. But the problem is, we have—maybe we ought to let him answer it—but there is another party there, and they have their expectations. So maybe I should let the Prime Minister answer that.

Prime Minister Barak. We abide by an international agreement, Wye agreement included. It had been signed by an Israeli freely elected government, by the Americans, and by Chairman Arafat. We are committed to live up to it. But there is a need to combine the implementation of Wye with the moving forward of the permanent status agreement. It could be this way—first Wye, then final status. It could be this way, but only through an agreement with Arafat after mutual, open, frank, and direct discussion.

If we together agree, whether with the Americans and Arafat, that something could be made in order to bring those two elements together, I hope and believe that even the international press would not resist it very forcefully.

President Hafiz al-Asad of Syria

Q. Prime Minister Barak, you have met with President Mubarak; you have met with President Arafat; you have met with King Abdullah. What are the possibilities of a meeting between you and President Hafiz al-Asad?

Prime Minister Barak. We still wait to see. When the time comes, I hope we'll be able to meet. It takes two to tango. I'm ready; the arena is ready; maybe the dancing instructor is ready. We have to find opportunity and begin.

President Clinton. Now, let me say that is not a patronizing remark toward President Asad as the Prime Minister's dancing partner. [*Laughter*]

Helen [Helen Thomas, United Press International], go ahead.

Israeli Settlements

Q. Mr. Prime Minister, when do you plan to disband the heavily armed settlements in Palestine?

Prime Minister Barak. I'm not sure whether I understood the question, so could you please repeat it?

Q. There are more and more settlements being built around Jerusalem and so forth. Are you going to disband them?

Prime Minister Barak. No. I'm not going to build new ones. I'm not going to dismantle any one of them. Israeli citizens live in them. They came to these places, almost all of them, through an approval of the Israeli Government. We are responsible for them. But the overall picture will be settled once we end the permanent status negotiation and whatever will be agreed, we will do. I believe in a strong block of settlements that will include most of the settlers in Judeo-Samaria and the Gaza Strip.

Thank you.

President Clinton. Thank you.

Arab-Americans

Q. Mr. President, many Arab-American organizations in this country are very skeptical about Arabs getting a fair chance in Israel, while Arab-Americans from Arab descent and from this country going to Israel having very harsh treatment. There are four people sitting in jail without due process. They are badly treated at the airport. Can you comment on that?

Prime Minister Barak. I will answer. I'm ready to look into this problem. We have no intentions to humiliate or to intimidate any Arab citizens, be it Israelis, Americans, or of other countries. And I cannot respond directly to the story you are telling since I don't know the details.

President Clinton. Thank you very much.

Palestinian Right of Return/Location of U.S. Embassy in Israel

Q. Mr. President, do you personally believe in the Palestinian right of return, even though your comments perhaps at the press conference with Mr. Mubarak might not reflect a change in U.S. policy?

And to Prime Minister Barak, one issue here in the States has been the question of moving the U.S. Embassy in Israel from Jerusalem to Tel Aviv. Do you think that that has to happen? I'm sorry—from Tel Aviv to Jerusalem. Thank you. Do you believe that that needs to happen now?

Prime Minister Barak. Be careful about the directions. [*Laughter*]

Q. Do you believe that that needs to happen now, or can that wait for progress in the peace process?

President Clinton. Do you want me to go first?

First of all, as you correctly stated, nothing that I have said should be interpreted as a change in United States policy. I do think there will be a general atmosphere when the peace is finally made which will be positive. That's all I said.

On that question, the question you asked me that is explicitly an issue stated for final status negotiations by the parties; that's part of the final status talks. The United States, as a sponsor of the peace process, has asked the parties to do nothing to prejudice final status issues. We certainly should be doing nothing to prejudice the final status issues. That is why I have had a consistent position on that, on the Embassy, on every issue. Whatever else we do, the United States has no business trying to prejudice these final status issues. That's what the parties have to work out in the final status talks.

Q. But Mrs. Clinton has certainly prejudged them.

Prime Minister Barak. As the Prime Minister of Israel, I would like to see all the Embassies from all around the world coming to Jerusalem, and we will do whatever we can to provide the preconditions for it. I feel that the essence of the peace effort that we are trying to drive forward right now is to bring within the shortest possible time a new landscape, political landscape in the Middle East that will make the whole question irrelevant; you will see all the Embassies together, side by side, in Jerusalem.

Thank you very much.

Israeli Astronauts

Q. Mr. Prime Minister, is there going to be Israeli astronauts on the space station? Are you going to discuss this issue, and do you desire such?

Prime Minister Barak. I like Israelis, especially Israeli astronauts. There is an officer, highly competent officer in our air force, and I would be more than glad to see him walking in space when we enter the new millennium, maybe in 2001 or 2002.

Thank you.

President Clinton. Thank you. We have to go to work.

First Lady's Views on Middle East Peace Process

Q. Mr. President, what about Mrs. Clinton? She's prejudged the issues. What about Mrs. Clinton's prejudgment, Mr. President? Tell us about Mrs. Clinton's prejudgment, sir.

President Clinton. That's why Senator Moynihan's law is good; every individual Member of Congress can express a personal opinion, but because of the waiver, the United States does not have to prejudice the final status issue. That's good. That's the way the law is set up, and it's good.

Q. Also, she's not President, is she?

President Clinton. That's right.

NOTE: The President spoke at 2:29 p.m. in the Rose Garden at the White House. Prime Minister Barak referred to Chairman Yasser Arafat of the Palestinian Authority. A portion of the remarks could not be verified because the tape was incomplete.

Statement on the Northern Ireland Peace Process

July 15, 1999

I share the regret that the people of Ireland and Northern Ireland feel at the setback in the peace process. They have voted overwhelmingly for peace. They want a permanent end to violence and to the potential for violence. The cry for a peaceful, inclusive, democratic society in Northern Ireland has never been stronger.

Real progress has been made on all sides toward fulfilling the solemn commitments spelled out in the Good Friday agreement. It is incumbent on all parties to carry out their obligations under that accord. I am convinced that it is possible to achieve full implementation of this historic agreement in all its aspects by next spring, as contemplated by its terms.

The British and Irish Governments intend to conduct over the next few weeks an interim review of the implementation of the agreement aimed at overcoming the hurdles in the peace process. For the future of all

the people of Northern Ireland who want an enduring peace and a normal life, I call upon all those involved to find the way to get the peace process back on track. I am ready to assist Prime Minister Blair, Prime Minister Ahern, and the parties in any way I can to achieve this goal.

Memorandum on Occupational Illness Compensation for Energy Contractor Personnel

July 15, 1999

Memorandum for the Secretary of Defense, the Attorney General, the Secretary of Labor, the Secretary of Energy, the Director of the Office of Management and Budget, Assistant to the President for Economic Policy

Subject: Occupational Illness Compensation for Energy Contractor Personnel

Contractor personnel working for the Department of Energy (DOE) and its predecessor agencies helped our Nation win the Cold War but often faced dangerous working conditions. A small number of them were exposed to beryllium, a metal used in the production of weapons, and subsequently contracted chronic beryllium disease (CBD), a debilitating lung disease for which there is no cure. Most of those exposed worked under contract for the DOE and are not covered by the Federal workers' compensation program. As a result many of those with CBD have not received the occupational illness benefits otherwise available to regular Federal employees.

Today, I am pleased to announce that my Administration will submit draft legislation to the Congress that would create a new program to give DOE contractor employees with CBD and beryllium sensitivity the same benefits—certain medical costs and lost wages—now available to Federal employees. The American people believe in fairness, and I am sure that they would find it fair to provide this reasonable compensation to this small group of people who contributed so much to their country's well-being and who now are suffering from this incurable disease.

Under my draft legislation, the Department of Labor would administer a program similar to the Federal Employee Compensation Act (FECA) program, which currently

provides Federal workers a proportion of lost wages, medical costs, rehabilitation, and training. My draft legislation also would compensate workers whose beryllium sensitivity forced them into lower-paying jobs. As with all workers' compensation systems, the program will serve as an "exclusive remedy," barring individuals with work-related illness claims from bringing litigation against the Federal Government.

Recognizing that other toxic and radioactive materials also may contribute to occupational illnesses, I direct you to participate in an interagency review led by the National Economic Council focusing on whether there are other illnesses that warrant inclusion in this program and how this should be accomplished. This interagency review should be completed by March 31, 2000.

William J. Clinton

NOTE: An original was not available for verification of the content of this memorandum.

Statement on Senate Action on Patients' Bill of Rights Legislation

July 15, 1999

Tonight's party line vote for a weak, unenforceable Patients' Bill of Rights is the wrong course for America. The Republican leadership's bill is a Patients' Bill of Rights in name only.

It fails to protect more than 110 million Americans—including the vast majority of Americans in HMO's. For those it does cover, this bill fails to ensure patients' access to the specialists they need; fails to ensure patients the rights to keep their doctors throughout a course, a treatment; fails to prevent insurance company accountants from making final calls on medical decisions; and it fails to hold health plans accountable for actions that harm their patients.

If Congress insists on passing such an empty promise to the American people, I will not sign the bill. Passing a strong, enforceable Patients' Bill of Rights should not be a partisan issue. This should be about protecting patients, not insurance companies.

We will not stop working on this critical issue until we provide patients the protections they need. The American people know the difference between a good and bad bill.

Every major doctors, nurses, and patients organization in the country knows the difference. I believe that the will of the people will still prevail in this Congress.

**Statement on the Death of
Congressman George E. Brown, Jr.**
July 16, 1999

I was greatly saddened to learn of the death of Congressman George Brown. When he last visited the White House, I noted that he was affectionately known as Mr. Science. His legacy of service and lifetime of contributions helped sustain American leadership across the frontiers of scientific knowledge. George Brown's support for science was drawn from his deep belief that science and technology could help achieve a peaceful world and a just society. For almost 40 years, from his earliest days fighting racial inequality, George Brown challenged us to build a better world. Our Nation has lost a good man and an irreplaceable voice for science and justice.

Hillary and I extend our deepest condolences to his wife, Marta, and to his family.

**Statement on Review of Title III of
the Cuban Liberty and Democratic
Solidarity (LIBERTAD) Act of 1996**
July 16, 1999

Today I am notifying the Congress of my decision to suspend for another 6 months implementation of provisions of Title III of the Cuban Liberty and Democratic Solidarity Act that allow legal action against firms trafficking in confiscated properties in Cuba. I take this action because it is in America's national interest and because it will hasten the day when the people of Cuba enjoy freedom and democracy.

I allowed Title III to enter into force in July 1996. It has put businesses around the world on notice that by trafficking in expropriated American property in Cuba, they risk significant liability in the United States. Coupled with aggressive implementation of Title IV of the law, this provision has helped deter such activities.

Since 1996, I have exercised the authority provided by the law to suspend the right to file suit. This has enabled the United States,

in efforts led by Under Secretary of State Eizenstat, to work constructively with our friends and allies for the promotion of freedom and democracy in Cuba.

During this last 6-month period, friends and allies, in both word and deed, have steadily increased pressure on the Cuban Government to respect human rights and move toward democracy. Many national leaders have publicly and privately pressed senior Cuban officials on the need for reform. The United Nations Commission on Human Rights passed a resolution, sponsored by Poland and the Czech Republic, condemning Cuban human rights abuses. The European Union renewed its Common Position, committing member countries to take concrete steps to promote democracy in Cuba. A number of nongovernmental organizations have also increased support to democratic groups on the island.

The Cuban Government's disgraceful human rights record underscores the need for our coordinated international strategy. Showing disdain for universally recognized human rights, the Government in February promulgated a draconian law that criminalizes a wide range of democratic activities, including any journalism independent of the state. After a closed trial in March, the regime sentenced four courageous leaders of the "Internal Dissident Working Group" to harsh prison sentences merely for speaking out about their nation's future. International condemnation of these acts has been clear and swift. Countries long eager for warm relations with the Castro regime have clearly reassessed the wisdom of that approach.

The growing international consensus on the need for concrete steps to promote democracy in Cuba gives us confidence that our multilateral strategy is working. It is sending a strong message to the Cuban Government that the time for change is now—and a strong message to the Cuban people that we stand with them in their efforts to build a democratic future. I once again pledge my administration's strongest efforts to work with our friends and hasten the day when our Cuban brothers and sisters enjoy the rights and freedoms that we all cherish.

Letter to Congressional Leaders on Review of Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996

July 16, 1999

Dear _____:

Pursuant to section 306(c)(2) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (Public Law 104-114), (the "Act"), I hereby determine and report to the Congress that suspension for 6 months beyond August 1, 1999, of the right to bring an action under title III of the Act is necessary to the national interests of the United States and will expedite a transition to democracy in Cuba.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Jesse Helms, chairman, and Joseph R. Biden, Jr., ranking member, Senate Committee on Foreign Relations; Ted Stevens, chairman, and Robert C. Byrd, ranking member, Senate Committee on Appropriations; Benjamin A. Gilman, chairman, and Sam Gejdenson, ranking member, House Committee on International Relations; and C.W. Bill Young, chairman, and David R. Obey, ranking member, House Committee on Appropriations.

Proclamation 7209—Captive Nations Week, 1999

July 16, 1999

By the President of the United States of America

A Proclamation

This month Americans mark 223 years of freedom from tyranny. We celebrate the vision of our founders who, in signing the Declaration of Independence, proclaimed the importance of liberty, the value of human dignity, and the need for a new form of government dedicated to the will of the people. As heirs to that legacy and the fortunate citizens of a democratic Nation, we continue to cherish the values of freedom and equality. Many people across the globe, however, are still denied the rights we exercise daily and too often take for granted. During Captive Nations Week, we reaffirm our solidarity with those around the world who suffer under the shadow of dictators and tyrants.

Americans have expressed their devotion to freedom and human rights through actions as well as words, having fought and died for these ideals time and again. In World War II, we battled the brutality of fascism. In Korea, Vietnam, and throughout the Cold War, we stood up to the despotism of communism. In the Persian Gulf, and in partnership with our NATO allies in the skies over Serbia and Kosovo, we have fought brutal and oppressive regimes.

Thanks to our strength and resolve and the courage of countless men and women in countries around the world, we can be proud that the list of captive nations has grown smaller. The fall of the Berlin Wall a decade ago finally enabled us to pursue democratic reform in Central and Eastern Europe and to lay the firm foundations of freedom, peace, and prosperity. And in countries around the world, from South Africa to South Korea to South America, democracy is flourishing, and citizens enjoy the liberty to seek their own destiny.

The post-Cold-War world, however, confronts us with a new set of dangers to freedom—threats such as civil wars, terrorism, and ethnic cleansing. There are still rulers in the world who refuse to join the march toward freedom, who believe that the only way to govern is with an iron fist, and who rely on reprehensible practices like arbitrary detention, forced labor, torture, and execution to subjugate their people.

As we observe this Captive Nations Week, let us once again reaffirm our profound commitment to freedom and universal human rights. Let us continue to promote tolerance, justice, and equality and to speak out for those who have no voice. Let us rededicate ourselves to the growth of democracy and the rule of law; and let us resolve that in the next century we will foster the further expansion of the rights and freedoms with which Americans have been blessed for so long.

The Congress, by Joint Resolution approved July 17, 1959 (73 Stat. 212), has authorized and requested the President to issue a proclamation designating the third week in July of each year as "Captive Nations Week."

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim July 18 through July 24, 1999, as Captive Nations Week. I call upon the people of the United States to observe this week with appropriate ceremonies and activities and to rededicate ourselves to supporting the cause of freedom, human rights, and self-determination for all the peoples of the world.

In Witness Whereof, I have hereunto set my hand this sixteenth day of July, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-fourth.

William J. Clinton

[Filed with the Office of the Federal Register, 8:45 a.m., July 21, 1999]

NOTE: This proclamation will be published in the *Federal Register* on July 22.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

July 10

In the afternoon, the President traveled from Los Angeles, CA, to Pasadena, CA. Later, he returned to Washington, DC.

July 12

In the morning, the President met with Prime Minister John Howard of Australia in the State Dining Room for a working visit.

The President announced his intention to appoint Jared L. Cohon as Chair and member of the Nuclear Waste Technical Review Board.

July 13

In the morning, the President traveled to Miami Beach, FL. In the evening, he traveled to Coral Gables, FL, and later, he returned to Washington, DC.

The President announced his intention to appoint Lee Haney as Chair of the Presi-

dent's Council on Physical Fitness and Sports.

July 14

In the afternoon, the President traveled to Baltimore, MD, and later, he returned to Washington, DC.

The President announced his intention to nominate David N. Greenlee to be Ambassador to Paraguay.

The President announced his intention to appoint Ronald Morriss as a member of the National Drought Policy Commission.

The President announced his intention to appoint Nancy M. Zirkin as a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars.

The White House announced that the President will travel to Little Rock, AR, on August 6-10 and September 22.

July 15

In the afternoon, the President met with Crown Prince Khalifa bin Zayid of the United Arab Emirates in the Oval Office.

In the evening, the President and Hillary Clinton went to Camp David, MD.

The White House announced that the President will travel to Lansing, MI, on July 22.

The White House announced that the President welcomed the successful outcome of talks between Argentina and the United Kingdom concerning the Falklands/Malvinas and other South Atlantic islands.

July 16

In the morning, the President traveled to Des Moines, IA.

In the afternoon, the President visited the Amos Hiatt Middle School.

In the evening, the President attended a dinner for Senator Tom Harkin at a private residence. Later, the President returned to Camp David, MD.

The President announced his intention to nominate Andrew Fish to be Assistant Secretary for Congressional Relations at the Department of Agriculture.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 14

James J. Brady,
of Louisiana, to be U.S. District Judge for the Middle District of Louisiana, vice John V. Parker, retired.

Florence-Marie Cooper,
of California, to be U.S. District Judge for the Central District of California, vice Linda H. McLaughlin, deceased.

Tibor P. Nagy, Jr.,
of Texas, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Democratic Republic of Ethiopia.

Charles A. Pannell, Jr.,
of Georgia, to be U.S. District Judge for the Northern District of Georgia, vice Frank M. Hull, elevated.

Withdrawn July 14

Kenneth W. Kizer,
of California, to be Under Secretary for Health of the Department of Veterans Affairs for a term of 4 years, which was sent to the Senate on January 6, 1999.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released July 12

Transcript of a press briefing by Press Secretary Joe Lockhart

Transcript of a press briefing by Treasury Secretary Larry Summers, National Economic Council Director Gene Sperling, and Office of Management and Budget Director Jack Lew on the Federal budget

Statement by the Press Secretary on the release of funds under the Low Income Home Energy Assistance Program

Released July 13

Statement by the Press Secretary on the President's "right-to-know" for American workers proposal

Released July 14

Transcript of a press briefing by Press Secretary Joe Lockhart

Statement by the Press Secretary on human stem cell research

Fact sheet: Nonproliferation: The Clinton Administration Record

Announcement of nominations for U.S. District Judges for the Northern District of Georgia, Central District of California, and Middle District of Louisiana

Released July 15

Transcript of a press briefing by Press Secretary Joe Lockhart

Statement by the Press Secretary: Agreement Between Argentina and the United Kingdom on the Falklands/Malvinas Islands

Released July 16

Announcement: Special Envoy for the Americas Kenneth H. (Buddy) MacKay embarks on Andean trip to Peru and Bolivia

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.